

## **GRAND JUNCTION CITY COUNCIL**

### **MINUTES OF THE REGULAR MEETING**

**October 19, 2016**

The City Council of the City of Grand Junction convened into regular session on the 19<sup>th</sup> day of October, 2016 at 7:00 p.m. Those present were Councilmembers Chris Kennedy, Duncan McArthur, Rick Taggart, Barbara Traylor Smith, Martin Chazen, and Council President Phyllis Norris. Councilmember Bennett Boeschenstein was absent. 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 which was followed by an invocation by Pastor Andy Baker, Living Stone Christian Church.

Council President Norris welcomed Colorado Mesa University (CMU) students attending the City Council meeting.

#### **Citizens Comments**

Mr. Bruce Lohmiller, 3032 North 15<sup>th</sup> Street, #208, spoke regarding Night Patrol Warm-up at Whitman Park, a solution to opiate addiction which is a drug that can reduce the craving, noting Congressman Scott Tipton had a seminar on it. He also announced the upcoming Veterans Annual Art and Music Extravaganza at the Avalon Theatre. He then addressed aging and enzymes that might be of use.

Poppy Woody, 3406 C ½ Road and owns the business at 1708 North Avenue, expressed her appreciation to the Council and the City for all the efforts in the first phase of the revitalization of the North Avenue Complete Streets Project. She looks forward to the next phase. The North Avenue business owners are increasing activity and showing interest in improving their North Avenue properties. The North Avenue corridor is a major contributor to City sales tax which will increase with these improvements. Ms. Woody encouraged all to attend the ribbon cutting celebration on October 27<sup>th</sup> at the Far East parking lot beginning at 5:00 p.m.

Richard Swingle, 443 Mediterranean Way, stated he had a presentation related to item 5.c. on the Council meeting agenda and asked if he could present it then or wait to present. He wanted to present the information before Council voted on that item.

Council President Norris asked if Council would like to hear Mr. Swingle's comments on the 5.c. agenda item. Councilmembers McArthur, Traylor Smith, and Kennedy said they would prefer to hear Mr. Swingle's presentation and any other citizen comments on 5.c. after the staff presentation on that item.

### **Council Reports**

Councilmember McArthur attended the following meetings and events between October 12<sup>th</sup> and October 19<sup>th</sup>: the Colorado River Basin Roundtable meeting and the Colorado Coalition for the Homeless meeting where they heard a presentation from Mind Springs Health of Mesa County regarding services they provide that are reducing the impact on hospital emergency rooms throughout Mesa County. Councilmember McArthur was wearing a pink shirt in support of Breast Cancer Awareness Month and also wore a button stating that he voted. He complimented St. Mary's Hospital for professionalism and staff competency during a recent experience with them.

Councilmember Chazen attended the following meetings or events between October 12<sup>th</sup> and October 19<sup>th</sup>: the Grand Junction Chamber of Commerce Energy Briefing regarding the downturn in the energy industry and how it is impacting Western Colorado; the Downtown Development Authority (DDA) and Downtown Grand Junction Business Improvement District (DGJBID) meeting discussing an increase in police presence in the downtown area and creating "parklets"; a meeting with Associated Governments of Northwest Colorado (AGNC) where Colorado Lieutenant Governor Donna Lynn, Department of Local Affairs (DOLA), and several others participated in discussions regarding Western Slope issues and concerns.

Councilmember Kennedy attended a Grand Junction City Parks and Recreation (P&R) Advisory Board meeting discussing priority projects for 2017. Councilmember Kennedy said a constituent was refused entry to a business due to a slogan on his t-shirt and he suggested the community talk openly about this type of issue.

Councilmember Traylor Smith attended the Grand Junction Economic Partnership (GJEP) meeting with discussions regarding business expansion and the Jump Start Program.

Councilmember Taggart had no comments.

Council President Norris said she made a presentation and answered questions at a Grand Junction Newcomers Club meeting.

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## **Consent Agenda**

Councilmember Chazen moved to adopt the Consent Agenda items #1 through #4. Councilmember Traylor Smith seconded the motion. Motion carried by roll call vote.

### **1. Approval of Minutes**

- a. Summary of the October 3, 2016 Workshop
- b. Minutes of the October 5, 2016 Regular Meeting

### **2. Resolutions**

- a. Resolution No. 41-16 A Resolution Authorizing the Visitor and Convention Bureau (VCB) to Enter into Contracts for its Marketing Services to Lodging Properties Outside the City Limits
- b. Resolution No. 42-16 A Resolution Vacating a Public Access Easement, Located at 735 Horizon Drive
- c. Resolution No. 43-16 A Resolution Directing Compliance with Charter, Statute, and Ordinance as they Relate to the Grand Junction Municipal Court

### **3. Contracts**

- a. 2016 Community Development Block Grant Program Year Sub-Recipient Contracts

### **4. Set Public Hearings**

- a. Quasi-judicial
  - i. Proposed Ordinance Amending Sections of the Zoning and Development Code (Title 21 of the Grand Junction Municipal Code) Regarding Signage (Set Hearing for November 16, 2016)
  - ii. Resolution No. 44-16 – A Resolution Referring a Petition to the City Council for the Annexation of Lands to the City of Grand Junction, Colorado, Setting a Hearing on Such Annexation, and Exercising Land Use Control, Connor Annexation, Located at 2839 Riverside Parkway and Introduce Proposed Annexation Ordinance Annexing Territory to the City of Grand Junction, Colorado, Connor Annexation, Located at 2839 Riverside Parkway, Consisting of One Parcel of Land and No Dedicated Right-of-Way (Set Hearing for December 7, 2016)

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**North Avenue Catalyst Grant Request in the Amount of \$8,723.50 from Grand Mesa Medical Supply, Located at 1708 North Avenue**

Lori V. Bowers, Senior Planner, presented this item. She described the request and the location. Ms. Bowers said the North Avenue Catalyst Grant Program was implemented in November 2014 and provided additional grant background information. She described the location, the proposed sign upgrade, and said the North Avenue Catalyst Grant Committee forwarded a recommendation of approval.

Poppy Woody, grant applicant for Grand Mesa Medical Supply, 1708 North Avenue, submitted an application for consideration for \$8,723.50 to the North Avenue Catalyst Grant Program. Ms. Woody explained that the grant request is one-half of the cost for a proposed monument sign to replace the existing pole sign at 1708 North Avenue.

Councilmember Kennedy asked if the sign would have lighting. Ms. Woody answered yes. Councilmember Kennedy commented that this was the ninth grant application. Unrelated to this applicant, he expressed hesitation awarding grants from the North Avenue Catalyst Grant Fund due to a grant awarded to a company that went out of business two months after the award was granted. He asked what is being done to avoid this from happening in the future.

Ms. Bowers stated that research is now being completed on grant applicants ensuring the business is viable and current on all taxes.

Councilmember McArthur asked what the total amount of grant awards are to date. Ms. Bowers stated over \$70,400 of grant money has been awarded since inception of the North Avenue Catalyst Grant Program.

Councilmember McArthur agreed that a big step of improvement for North Avenue is signage. He thanked Ms. Woody for her North Avenue business improvements.

Councilmember Chazen asked if there are any outstanding grant requests for 2016. Ms. Bowers stated that one application has not finalized their request but the amount was included in the 2016 budget. Councilmember Chazen thanked Ms. Woody for her efforts in business improvement and stated that this is critical for the transformation of the North Avenue Corridor.

Councilmember Taggart asked what the available grant funds are for the 2017 budget. City Manager Caton stated the amount is \$30,000, which is the annual average.

Councilmember Traylor Smith moved to approve the North Avenue Catalyst Grant request in the amount of \$8,723.50 from Grand Mesa Medical Supply, located at 1708 North Avenue. Councilmember Chazen seconded the motion. Motion carried by roll call vote.

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**Construction Contract for the Water Treatment Plant Filter Upgrade Project**

The City received bids on Tuesday September 13, 2016, for the Water Treatment Plant Filter Upgrade Project. The City Water Department has been approved for a loan from the Colorado Water Resources and Power Development Authority to facilitate rehabilitation of the City Water Treatment Plant filters.

Public Works Director Greg Lanning presented this item noting this project has previously been before Council. Mr. Lanning explained this step of the process and described the benefits of the project's completion. Mr. Lanning said the request is to approve the contract contingent on the execution of the loan agreement and, once installed, there will be fewer backwash cycles with less electricity and water wasted. Mr. Lanning said the recommended contractor is the low bidder and is very qualified. If authorized, installation is to begin the winter of 2016.

Councilmember Chazen moved to authorize the Purchasing Division to enter into a contract with Moltz Construction for the construction of the Water Plant Filter Upgrade Project for a price of \$882,900. Councilmember Kennedy seconded the motion. Councilmember Chazen amended the motion to include "contingent on the execution of the loan agreement". Councilmember Kennedy seconded the amended motion. Motion carried by roll call vote.

**Exclusive Negotiation Agreement with Nokia/SiFi to Determine Whether a Citywide Broadband Project will be Commercially Viable**

As part of the City Council's Economic Development Plan, communication and technology infrastructure was identified as an essential tool for the development of commerce and industry leading to long-term economic competitiveness for the City of Grand Junction. As a result of a formal procurement process, staff recommends the City contract with Nokia/SiFi to complete a demand survey and preliminary engineering study to determine the financial viability of a city-wide fiber project that would meet the broadband goals established by City Council. The results will be presented to Council as the first of three milestones for a potential broadband project.

Councilmember Kennedy disclosed his role as Regional Broadband Project Director of Region 10 and noted he does have contact with the principals in this contract but has not been involved in any of the City's negotiations. Councilmember Kennedy does not think there will be any conflict of interest.

Councilmember Chazen asked Councilmember Kennedy if he was in contact with any principals from Nokia/SiFi. Councilmember Kennedy answered that he has not talked to them regarding the broadband project with the City.

Councilmember McArthur asked if Councilmember Kennedy will be involved with negotiations regarding this project. Councilmember Kennedy said no.

Council President Norris asked City Attorney John Shaver if he feels there would be any conflict with the Nokia/SiFi project regarding Councilmember Kennedy. City Attorney Shaver said he received a written disclosure from Councilmember Kennedy which is consistent with what has been disclosed.

Tim Moore, Deputy City Manager, presented the item. He introduced the broadband team: Shelly Dackonish, Staff Attorney; Jay Valentine, Internal Services Manager (ISM) and Diane Kruse, NeoConnect Consultant. Other team members Scott Hockins, Project Manager, and Jim Finlayson, Information Technology (IT) Director were not in attendance. Mr. Moore reviewed the project history and goals explaining initially a pilot project in the downtown area was planned but it was too small of an area to be viable, so the project now includes the entire City. Mr. Moore stated Council wanted a public/private partnership for broadband services with control and at minimal risk in order to make broadband service affordable for residences and businesses. The proposed contract is for a viability study and market analysis.

Mr. Moore listed several points of why Nokia/SiFi was chosen as the vendor for the broadband project. Their proposal includes no borrowing of funds, the control of smart city applications, and the network will be owned by the City through a long term lease. It will result in a ubiquitous fiber option network with open access; it will be affordable and will have shared risk. Mr. Moore gave details of the three milestones of the proposal with Nokia/SiFi and requested the project move forward with milestone one.

Council President Norris then allowed for public comment.

Richard Swingle, 443 Mediterranean Way, said it has been 561 days since the approved vote of the citizens to research broadband services for the City. He reviewed his previous presentations and provided broadband/fiber definitions. He stated there is no guaranteed cash flow and recommended against the contract. Mr. Swingle said Spectrum and Century Link will undercut the rate, mess up the "take rate" leaving no incentive for replacing the coax with fiber. He thinks the proposal is doomed.

Jon Labrum, 680 Kapota Street, stated he was in attendance on behalf of the City of Fruita and Town of Palisade, representing the IT departments for each. Mr. Labrum discussed the impact outside the Grand Junction City limits in regards to the information presented at the annual Broadband Conference (Mountain Connect) and suggested the study and market analysis encompass the entire Grand Valley. Mr. Labrum expressed concerns regarding the City being the only broadband provider with no alternate option and stated that when the economics of the City change, as they would if the City were a broadband provider, it would impact all the surrounding areas.

Tom Benton, Director of CMU's Maverick Innovative Center at 1100 North Avenue, said while attending a GJEP meeting, a co-member told him his broadband service has increased and fees have decreased, which he attributed to the City's interest in becoming a broadband provider. Mr. Benton referred to milestone one and suggested the City provide the engagement letter for the independent contractor in the interest of fairness.

Mr. Moore thanked the Council and offered the expertise of the broadband team in attendance to answer questions.

Councilmember Kennedy said he was the Council Representative on the Broadband Steering Committee and is familiar with the initial proposals. He asked Mr. Moore, regarding the completion of milestone one, if the City will work strictly with Nokia/SiFi or will there be an opportunity to move in a different direction. Mr. Moore answered that the contact would be written with flexible options.

City Manager Caton added this is the beginning of vendor relations with Nokia/SiFi and should milestone one prove nonviable, there would be a reassessment of the contact.

Ms. Dackonish stated that the proposed terms of the contract have an out, but there is a cost for the survey efforts with a cap up to \$50,000 in compensation if the project does not move forward if the survey shows positive results.

Councilmember Kennedy said that his research indicates that Nokia/SiFi has not built a broadband system in the United States. He expressed concern about the feasibility of this project.

Mr. Moore said he has had similar discussions with Nokia/SiFi and there may not be enough mass/opportunity to capture the "take rate" and the financial piece is being assessed.

City Manager Caton stated he is looking forward to the market analysis results that will help determine the financial model of this project.

Ms. Kruse said in the financial analysis, research indicates the Nokia/SiFi project has very little financial risk in the first year and the City assumes the risk of the "take rate". Ms. Kruse stated milestone two includes verifying the assumptions in the model and the proposed agreement. Ms. Kruse stated that in the 30-year lease, the City assumes the risk of "take rate" in the range of 33 to 38% with is a substantial ramp-up period with no assumption of risk until the network is substantially complete (approximately 2 to 3 years) with a 36-month ramp-up period. She said through due diligence, there have been attempts to negotiate with another provider however, there was more risk in that proposal.

Councilmember Kennedy asked if the risk is there, what is the reward for the “take rate” and, is it in the shared revenue model? Ms. Kruse stated no, it is revenue neutral. Councilmember Kennedy asked if Smart City control is an added cost with no possible enterprise fund. Ms. Kruse said they are still working on the part of the revenue that could be dedicated to the enterprise fund. Councilmember Kennedy asked if the results of milestone one proved to be unviable, can the City negotiate at a later date.

Councilmember Taggart said the financial models have not been presented to Council and the proposal did not mention upside sharing. Councilmember Taggart stated that the proposal was objectionable with key components not shared and agreed the demand survey is needed to determine the City’s and Nokia/SiFi’s requirements. He would like to see the financial analysis on this project and is very interested in the independent consultant’s results of the demand survey.

Councilmember Traylor Smith asked if the demand study will go further than the City limits. Ms. Kruse said NeoConnect is currently conducting a joint study for Mesa and Garfield Counties for regional broadband services.

Councilmember Traylor Smith agreed the independent contractor should be hired by the City. She asked what happens with the City owned Fiber to the Premises (FTTP) at the end of the 30-year term.

Mr. Valentine explained the structure of the agreement and discussed the financial model which is similar to Certificates of Participation (COP) where the City owns the lease and makes lease payments. City Attorney Shaver said the lease would be an asset of the City with presumption of ownership, which is not title ownership. Mr. Valentine said the independent survey will not be done by Nokia/SiFi and the City will negotiate the parameters of the survey.

Ms. Dackonish talked about the demand survey and stated that Nokia/SiFi also wants this survey to be done correctly and be conducted by an independent company. Ms. Dackonish said Nokia and Nokia/SiFi will be investing in this project and they also do not want a skewed survey.

Councilmember Traylor Smith asked about the competitive letters of intent with two Internet Service Providers (ISP) and asked if there would be an opportunity to have additional ISPs. Mr. Moore said yes, other ISPs could be added over time.

Ms. Dackonish said under this model, any additional ISP would be required to buy-in which would open up an unlimited opportunity, however any ISP added would be after a selection process.

Councilmember Chazen stated on October 10<sup>th</sup>, he requested an opportunity to sit down with Mr. Caton to review milestone one. Councilmember Chazen agreed with Mr.



Benton and Councilmember Taggart about the independent contractor and the “take rate”. Councilmember Chazen looks forward to the results of the demand survey and expressed concern about taking market shares from existing broadband providers. He requested clarity regarding the financial risk, guaranteeing a minimum “take rate”, and ownership versus leasing.

Mr. Moore said one incumbent submitted a proposal and was asked if they wanted to participate, however they have not responded.

Councilmember Chazen asked if NeoConnect has done a survey projecting the number of potential broadband users in our area. Ms. Kruse said approximately 29,000 households and 4,000 businesses could be users. Councilmember Chazen asked why the City is paying for the market survey, when it has already been determined how many potential customers would be served by City broadband.

Mr. Moore said the City would only pay for the market analysis if it came back favorably and the City chose not proceed with the project. Councilmember Chazen asked who would decide the results are favorable. Mr. Moore said the contract will define what is or is not favorable.

Councilmember Chazen asked for clarity between Nokia and Nokia/SiFi. Mr. Moore said Nokia provides hardware and Nokia/SiFi provides financing. Councilmember Chazen asked if Nokia/SiFi is a new company and if a long term viability study was completed. Mr. Moore said they have not done a study on Nokia/SiFi as they have been focused on milestone one.

Councilmember Chazen said if the City proceeds with milestone one, the cost would be \$50,000 and if the City proceeds with the design, the cost would be \$200,000. He said with the potential cost of \$250,000, Council needs clarity on the financial risk to the City.

City Manager Caton said there is risk and staff is recommending an option to mitigate it as much as possible. He said the only risk for the \$50,000 is if the completed market analysis is favorable and the City decides against proceeding with the project.

Councilmember Chazen asked for clarity on the cash flow of this project and the no risk to the City in the staff report. Councilmember Chazen stated that a revenue neutral project without “take rate” numbers does not make financial sense.

Councilmember McArthur asked if this project is completed, will the community end up with just one provider. Ms. Kruse said the plan is to build fiber to every home and business and offer very affordable service and open access, with several service providers. Councilmember McArthur asked if Charter and CenturyLink would be able to use this network. Ms. Kruse answered yes.

Councilmember McArthur asked, since this is not a huge market (60,000 residences in Grand Junction), would the “take rate” be reduced if Fruita and Palisade were included. Ms. Kruse said that possibility has not been analyzed. She said market size is a good size market for this project.

Councilmember McArthur said he did not think the market could support three providers and asked what Nokia's risk is for the market study. Ms. Dackonish said Nokia and Nokia/SiFi's cost for the study will be more than \$50,000. Councilmember McArthur said, therefore, it would be to Nokia's benefit if the market study showed that the project is feasible.

Councilmember McArthur asked why Google is not installing new fiber networks. Ms. Kruse said Google has not abandoned fiber strategy but is trying to find a way to increase speed and reduce capital while working with a technology to provide wireless gigabyte service and increase the range of wireless service. Ms. Kruse said AT&T has the same strategy however, currently wireless networks still need fiber.

Councilmember McArthur asked if Charter leaves, would the City acquire their infrastructure. Mr. Moore said he did not believe the City could use Charter's infrastructure. Councilmember McArthur said that the goal of this project from inception was to provide faster service for economic development. He asked if providing this service is part of the City's role.

Ms. Kruse said broadband is a necessity for economic development. The vote had 77% support for this project. She said through an extensive process with invited incumbent providers, they had discussions regarding higher speed services. The existing providers stated they had no plans to build gigabyte service, however there was a possibility of faster service in the downtown area, but at a higher cost to the end user.

Council President Norris stated that 77% of the voters said they want Council to move forward with this project. She asked if the City is tied to Nokia/SiFi and Nokia or can they change to a different company after milestone one is completed. Mr. Valentine said there is flexibility to move to a different company; the City will not be tied to Nokia/SiFi and Nokia.

Councilmember Kennedy said the citizens want a fully functional fiber network with higher speed inside the City limits. Council has seen some movement from Charter and CenturyLink but the rates have not decreased and these companies have not committed to getting fiber and higher speed networks to the City's homes and businesses. Councilmember Kennedy wants to support milestone one if it is a truly independent survey. Ms. Dackonish said there is a revenue upside which is included in the definition of viability and there is profit share provision in the contract. Councilmember Kennedy said the first step is the market survey and he will support the survey if managed by the City.

Councilmember Chazen asked if the \$50,000 for the survey is in the budget for 2016 or 2017 and is the vendor aware of the 2017 disbursement. City Manager Caton said it was in the budget for 2017 and the vendor is aware of the 2017 disbursement.

Councilmember Chazen asked, if this project fails, what is the City's role regarding service to its citizens. He suggested changing the motion to "authorize the City Manager to spend up to \$50,000 on the survey", leaving the decision to the discretion of City Manager Caton to decide which company the City deals with if the project were to move forward.

Councilmember McArthur asked if there was confidence in Nokia and Nokia/SiFi completing this project efficiently and properly. Mr. Moore said yes, he feels confident in Nokia regarding the network with construction and design. Mr. Moore said that the unique portion of this project is the financing through Nokia/SiFi.

Councilmember Taggart suggested additional verbiage for the motion, "it is understood by both parties that the independent consultant will be contracted with the City and City staff will be recognized as the lead for this project...".

Council President Norris suggested the City Manager not the City staff oversee this project and asked if the terms of the contact were exclusive with the City and Nokia.

City Attorney Shaver said the contact currently states Nokia and Nokia/SiFi are in an exclusive relationship with the City.

Councilmember Traylor Smith said she wants to see the information from survey results and the project viability before getting into contract terms of exclusivity.

Council President Norris asked if the sections of the contract including network design, financial analysis, and architecture, as well as the demand survey, are all part of milestone one and will be owned by the City. City Manager Caton said yes they are all part of milestone one.

Councilmember Kennedy moved to authorize the City Manager to enter into an exclusive negotiation agreement with Nokia/SiFi to complete a demand survey of the community, network desktop design, network architecture, and financial analysis. If the project is determined to be viable and the City Council elects not to proceed, the City would pay for the actual costs incurred for milestone one up to a cap of \$50,000.

Councilmember McArthur seconded the motion. Motion carried with Councilmember Taggart voting NO.

The City Council took a break at 9:31 p.m.

The meeting reconvened at 9:40 p.m.

**Public Hearing Ordinance No. 4722 – An Ordinance Amending Ordinance No. 4599 and Section 21.04.010 of the Municipal Code to Allow Marijuana Testing Facilities in the City of Grand Junction**

On September 4, 2013 the City Council adopted Ordinance No. 4599 which prohibited the operation of marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities and retail marijuana stores within the City. This request is to remove the prohibition of marijuana testing facilities in the City of Grand Junction and to establish the appropriate zone districts for such facilities.

The public hearing was opened at 9:40 p.m.

John Shaver, City Attorney, presented this item and explained the request noting due to the Jump Start program, the request came forward. He then deferred to GJEP Director Kristi Pollard to address the reason for the request. She provided the background of the Jump Start Program and the request.

Ms. Pollard said she is proud to have the Australian company TSW Analytical, as a company in the City of Grand Junction as a result of the Jump Start Program. Ms. Pollard introduced Glen McClelland, a representative for TSW Analytical.

Mr. McClelland, 838 26 ½ Road, representing TSW Analytical, addressed the Council and answered questions from Council.

Councilmember Kennedy asked how many jobs will be created from this project. Mr. McClelland said within the first year, there will up to five jobs created that will pay approximately \$100,000+ in annual salaries. Councilmembers Kennedy and Taggart said they will support the business which correctly controls and regulates marijuana supply.

Councilmember McArthur asked why marijuana testing was disallowed in the past. City Attorney Shaver answered that at the time, the City Council wanted to prohibit all marijuana businesses in the City. He noted if Ordinance No. 4722 is adopted, there will need to be some regulatory processes put into place.

Councilmember Chazen thanked Mr. McClelland for coming to Grand Junction. Councilmember Chazen asked if the ordinance verbiage pertains only to State Law and

conflicts with Federal Law. City Attorney Shaver stated this is one of the continuing issues regarding the conflict with federal law.

Councilmember Chazen asked if the TSW Analytical had contacted the Federal Authorities regarding Federal marijuana regulations. Mr. McClelland said no but they have plans to get all the approved and required licenses. Mr. McClelland said TSW Analytical does testing other than marijuana and they will acquire all the necessary licenses.

Councilmember Chazen expressed concern that the TSW Analytical facility could be located in a mixed use area, and asked about vapors and smoke. City Attorney Shaver said this has been addressed and TSW Analytical has given assurance that vapors and smoke will not be an issue. Mr. McClelland said the processing uses very small quantities of marijuana and they are kept under fume covers.

Council President Norris asked if the TSW Analytical facility would be viable without marijuana testing or is that a key operation for them to relocate to the Grand Junction area. Mr. McClelland said TSW has plans for only one lab location in the United States and would find another location if the marijuana testing was not allowed. Council President Norris asked if the facility would certify organic food. Mr. McClelland stated that the testing done is to certify point of origin not characteristics. Council President Norris said she would support the project.

Johnathan Grosser, (no address provided), stated there is a risk of the City doing business with a founding member of TSW Analytical Party, LTD. in Perth, Australia. He stated there is a civil case in Perth where TSW Analytical was started. Mr. Grosser read information on a civil suit regarding TSW Analytical Party, LTD. He felt TSW Analytical is not eligible for the Jump Start program and presented allegations that Mr. McClelland was involved in other questionable dealings, some of which involved hog farms in Mr. Grosser's hometown. He said by allowing Source Certain, (an Australian Based company with ties to TSW Analytical Party, LTD), into Mesa County, they will take over the marijuana seeds and in partnership with Monsanto, all the farms on the Western Slope. Mr. Grosser said taking a risk on a company you know nothing about and not following the manual on the Jump Start program would be wrong.

There were no other public comments.

The public hearing was closed at 10:09 p.m.

Councilmember Taggart said he respects what Mr. Grosser said but has known Mr. McClelland for over thirty years and he is an honorable, ethical man.

Council President Norris said Council is considering an ordinance not the company but appreciated the comments.

Councilmember Kennedy moved to approve Ordinance No. 4722, An Ordinance Amending Ordinance No. 4599 and Section 21.04.010 of the Municipal Code to Allow Marijuana Testing Facilities in the City of Grand Junction on final passage and order final publication in pamphlet form. Councilmember Taggart seconded the motion. Motion carried by roll call vote.

**Public Hearing Ordinance No. 4723 – An Ordinance Amending the Grand Junction Municipal Code, Greater Downtown Residential Standards, by Deleting Section 24.12.130(b) Residential Standards and Guidelines, Accessory Structures**

The proposed ordinance amends the Greater Downtown Overlay, Title 24 of the Grand Junction Municipal Code (GJMC) Development Regulations, by deleting standards for maximum height and size for accessory structures in the residential area of the District. Compatibility of accessory structures can be adequately addressed through the general provisions of the Development Code and specific architectural standards in the Greater Downtown standards.

The public hearing was opened at 10:11 p.m.

Kristen Ashbeck, Senior Planner, presented the item and said this proposed change is intended to help promote improvements and investment in the downtown area. The current standards have restrictions of height and footprint size. Ms. Ashbeck said many homes in the district are one story which prohibits a garage with an accessory dwelling unit above with the other standards remaining in place. The Zoning and Development Code still has provisions regarding scale of accessory buildings to ensure compatibility remains. The Planning Commission found that deletion of the requirements meets the criteria of amending the Zoning and Development Code.

There were no public comments.

The public hearing was closed at 10:16 p.m.

Councilmember McArthur asked what was the purpose of the standards in the Code originally. Ms. Ashbeck said the original intent was to keep the scale as seen in the historic district and as things have evolved those specific standards are not needed. Councilmember McArthur asked if this change will maintain the historical character of the downtown area. Ms. Ashbeck said all areas do have guidelines and standards. Councilmember McArthur asked if the original guidelines were due to form based zoning. Ms. Ashbeck said no.

Councilmember Traylor Smith moved to approve Ordinance No. 4723, An Ordinance Amending the Grand Junction Municipal Code, Greater Downtown Residential Standards, by Deleting Section 24.12.130(b), Residential Standards and Guidelines,

Accessory Structures on final passage and order final publication in pamphlet form. Councilmember Kennedy seconded the motion. Motion carried by roll call vote.

### **Non-Scheduled Citizens & Visitors**

Richard Swingle, 443 Mediterranean Way, described the three w's: what, when and who for the approval of a contract. Mr. Swingle asked how long will it take and said the process is painfully slow. He said the 38% "take rate" is unattainable, and Grand Junction is not a pioneer. He asked how long will the demand survey take to complete and commented that Mesa County has made it obvious they do not want to participate in broadband.

Richard Martindale, manager for Quality Inn located on Horizon Drive, asked about an easement vacation on his property that was supposed to be on the agenda. Councilmember Taggart said the easement vacation passed under Consent Agenda.

### **Other Business**

There was none.

### **Adjournment**

The meeting was adjourned at 10:23 p.m.

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Stephanie Tuin, MMC  
City Clerk