

A regular City Council of the Montrose City Council was held on Thursday, January 17, 2008 at 7:00 p.m. in the City Council Chambers located in the Elks Civic Building at 107 South Cascade Avenue. Said meeting posted in accordance with the Sunshine Law.

PRESENT: David White, Carlos Guara, Jose Abeyta, Ed Ulibarri, Noelle Hagan, Mary Watt, Sharleen Walker, Russ Duree, Ben Morris, Kerwin Jensen, Jim Hougnon, Shani Wittenberg, Virgil Turner.

GUESTS: Robert Allen, Janine Mayfield, Gail Marvel, Juli Messenger, Robert and Patricia Brown, Marge Keehfuss, Moira Collier, Steve Glassman, Glen Davis, Ron Courtney, Sandy Head, Nancy Kirykowizz, Susan Welk-Valdez, Callie Carey, Kathy Ellis, Lorraine Shide, Bridget Bollinger, Richard Harding.

INTRODUCTION OF VISITOR AND CONVENTION BUREAU DIRECTOR

Marge Keehfuss, Montrose Chamber Director, introduced Jenni Sopsic, the new Montrose Visitor and Convention Bureau Director, to the City Council.

PROCLAMATION

Mayor David White signed a proclamation designating Merchant Appreciation Week in the City of Montrose.

MINUTES

The City Council considered the minutes of the regular City Council meeting held on January 3, 2008. A motion was made by Carlos Guara, seconded by Noelle Hagan to approve the minutes of the January 3, 2008 City Council meeting as written. All voted yes. Motion passed.

LANDSCAPING AND SITE WORK CHANGE ORDER

The City Council considered a change order in the amount of \$8,412.98 for site work and landscaping at City Hall. The purpose of this change order is for an unforeseen soil condition that required removal of soil and placement of geo-textile fabric and minus 3" rock to allow for proper compaction before pouring of concrete for the new sidewalk. A motion was made by Carlos Guara, seconded by Noelle Hagan to approve the change order for the site work and landscaping at City Hall in the amount of \$8,412.98. All voted yes. Motion passed.

SALES AND USE TAX REPORT

The City Council reviewed the Sales and Use Tax Report for the month of November 2007. The Sales and Use Tax Report shows an increase of 7.8% over the previous year and 8.8% below the budget for 2007.

VEHICLE AUCTION LIST

The City Council considered approval of various vehicles scheduled to be sold at the Jim Flower auction to be held on February 2, 3, and 4, 2008. A motion was made by Carlos Guara, seconded by Noelle Hagan to approve the list of various vehicles scheduled to be sold at the Jim Flower auction to be held on February 2, 3 and 4, 2008. All voted yes. Motion passed.

SANITATION TRUCK BIDS

The City Council considered the bids for two sanitation trucks. A motion was made by Carlos Guara, seconded by Noelle Hagan to award the bid for two sanitation trucks to Western Colorado Truck Center for a total bid price in the amount of \$241,596.00. All voted yes. Motion passed.

REFUSE COLLECTION TRUCK BIDS

The City Council considered the bids for two refuse collection truck bodies. A motion was made by Carlos Guara, seconded by Noelle Hagan to award the bid for two refuse truck bodies to Kois Brothers for a total bid price in the amount of \$ 195,072.00. All voted yes. Motion passed.

ENERGY AND MINERAL IMPACT ASSISTANCE GRANT APPLICATION

The City Council considered authorizing the Mayor to sign a contract for an Energy/Mineral Impact Assistance grant in the amount of \$500,000 for the Montrose Water Storage Project. A motion was made by Carlos Guara, seconded by Noelle Hagan to authorize the Mayor to sign a contract for an Energy/Mineral Impact Assistance grant in the amount of \$500,000. The City's funding match is \$2,500,000 for a total project cost of \$3 million. All voted yes. Motion passed.

RETAIL LIQUOR STORE LICENSE RENEWAL

The City Council considered the renewal of the Retail Liquor Store License for Q & T Food Stores, LLC d.b.a. Beer Barn at 1807 South Townsend Avenue, Montrose Colorado to sell malt, vinous and spirituous liquors for consumption off premise.

Russ Duree, City Attorney, informed the Council that the file is in order and that the fees have been paid. Additionally, Mr. Duree stated that the reason this renewal is before Council is that the establishment failed to pass a compliance check on November 30, 2007, an employee allegedly sold alcohol to an underage person.

Mayor White read a statement into the record: "It is the City Council's understanding that there are allegations that this establishment has failed to abide by the Liquor Code. The Council is withholding judgment on that issue at this time."

"Do you understand that the approval or a renewal of the Beer Barn Liquor License does not preclude the City from pursuing an administrative remedy should the allegations be proven?"

Kennith Logan, licensee, stated that he understood that an Order to Show Cause could still be served regarding this allegation. Additionally, Mr. Logan stated that he understands the liquor laws of Colorado and the local liquor laws. Mr. Logan informed the Council that he has a zero tolerance policy for employees selling to underage patrons and that he requires his employees to take the training offered by the Police Department, however his employee turnover is so great that the training doesn't come around often enough.

The Council asked Mr. Logan for suggestions on how to deter the sale of alcohol to minors and Mr. Logan suggested that after an employee has an underage person try to buy alcohol, that it be required that the employee call the Police Department. Mr. Logan stated that an underage person would go from place to place to buy alcohol until they have success in purchasing the alcohol. Mr. Logan also suggested that a reward be offered to the clerks who do call. Another suggestion that Mr. Logan had was to have a mandatory ID check.

A motion was made by Noelle Hagan, seconded by Ed Ulibarri to approve the renewal of the Retail Liquor Store License for Q & T Food Stores, Inc. d.b.a. Beer Barn for consumption off premise. All voted yes. Motion passed.

ANNUAL ANNEXATION PLAN AND REPORT AND THREE-MILE PLAN

The City Council considered the 2008 Annual Annexation Plan and Report and Three-Mile Plan. Kerwin Jensen, Community Development Director, reviewed the proposed 2008 Annual Annexation Plan and Report and Three-Mile Plan with the Council. Mr. Jensen stated that the plan was taken to the Planning Commission last week and there were no questions.

A motion was made by Noelle Hagan, seconded by Carlos Guara to adopt the 2008 Annual Annexation Plan and Report and Three-Mile Plan. All voted yes. Motion passed.

RESOLUTION 2008-3, SETTING THE HEARING FOR PIONEER RANCH ADDITION NO. 1.

The City Council considered Resolution 2008-3, setting the hearing for the Pioneer Ranch Addition No. 1 for March 6, 2008. A motion was made by Noelle Hagan, seconded by Carlos Guara to adopt Resolution 2008-3 setting for the annexation of the Pioneer Ranch Addition No. 1 for March 6, 2008. All voted yes. Motion passed.

RESOLUTION 2008-4, SETTING THE HEARING FOR PIONEER RANCH ADDITION NO. 2.

The City Council considered Resolution 2008-4, setting the hearing for the Pioneer Ranch Addition No. 2 for March 6, 2008. A motion was made by Carlos Guara, seconded by Noelle Hagan to adopt Resolution 2008-4 setting for the annexation of the Pioneer Ranch Addition No. 2 for March 6, 2008. All voted yes. Motion passed.

RESOLUTION 2008-5, SETTING THE HEARING FOR PIONEER RANCH ADDITION NO. 3.

The City Council considered Resolution 2008-5, setting the hearing for the Pioneer Ranch Addition No. 3 for March 6, 2008. A motion was made by Carlos Guara, seconded by Jose Abeyta to adopt Resolution 2008-5 setting for the annexation of the Pioneer Ranch Addition No. 3 for March 6, 2008. All voted yes. Motion passed.

AMENDED ORDINANCE 2178, SECOND READING

The City Council considered amended Ordinance 2178 on second reading amending Chapter 9-4 of the official Municipal code of the City of Montrose in its entirety and amending and adding certain sections to Chapter 9-1 of the official Municipal Code of the City of Montrose, for the purpose of removing redundant and conflicting language from the City's Sidewalk and Snow Removal Regulations. This Ordinance was tabled at the December 20, 2007 City Council meeting.

Russ Duree, City Attorney, informed the Council that this Ordinance as drafted makes it clear to citizens and residents that the provisions in this Ordinance pertain to existing infrastructure that is need in repair, not new infrastructure. Councilman Ulibarri stated that this Ordinance addresses his concerns regarding impact to individual homeowners.

A motion was made by Carlos Guara, seconded by Jose Abeyta adopt amended Ordinance 2178 on second reading amending Chapter 9-4 of the official Municipal code of the City of Montrose in its entirety and amending and adding certain sections to Chapter 9-1 of the official Municipal Code of the City of Montrose, for the purpose of removing redundant and conflicting language from the City's Sidewalk and Snow Removal Regulations. All voted yes. Motion passed.

ORDINANCE 2181, EMERGENCY

The City Council considered Ordinance 2181 deleting section 3-5-12(P) of the City Code of the City of Montrose and declaring an emergency. Russ Duree, City Attorney, informed the Council that this portion of the code was adopted for a recapture fee for a specific subdivision and that the funds have been collected, therefore this portion of the code is no longer necessary.

A motion was made by Carlos Guara, seconded by Jose Abeyta to adopt Ordinance 2181 deleting section 3-5-12(P) of the City Code of the City of Montrose and declaring an emergency. All voted yes. Motion passed.

ORDINANCE 2182, EMERGENCY

The City Council considered Ordinance 2182 an Ordinance of the City of Montrose, Colorado, amending and restating section 3-5-13 (a)(1) – (6) and section 3-5-20 (a) of the official code of the City of Montrose and declaring an emergency. Shani Wittenberg, Finance Director, informed the Council that this Ordinance proposes that the rates for water and sewer be reduced from previous projections, as the funds are doing better than anticipated.

A motion was made by Carlos Guara, seconded by Noelle Hagan to adopt Ordinance 2182 amending and restating section 3-5-13 (a)(1) – (6) and section 3-5-20 (a) of the official code of the City of Montrose and declaring an emergency. All voted yes. Motion passed.

CITY COUNCIL REPORTS

Montrose County Airport Advisory Committee Appointment: The City Council considered the ratification of the appointment of David White to the Montrose County Airport Advisory Committee until April 2008. A motion was made by Ed Ulibarri, seconded by Jose Abeyta to ratify the appointment of David White to the Montrose County Airport Advisory Committee until April 2008. All voted yes. Motion passed.

Pavilion Senior Advisory Committee: The City Council considered the appointments to the Pavilion Senior Advisory Committee. There are three openings and two applicants. A motion was made by Noelle Hagan, seconded by Ed Ulibarri to appoint Madaline D. Lake and Gayle Clarke-Watford to the Pavilion Senior Advisory Committee. All voted yes. Motion passed.

Montrose Economic Development Corporation Board Appointment: The City Council considered the ratification of the appointment of Jose Abeyta to the Montrose Economic Development Corporation Board. A motion was made by Carlos Guara, seconded by Ed Ulibarri. All voted yes. Motion passed.

Sunshine Peaks Phase 2 Letter of Support: The City Council considered a letter of support for Phase 2 of the Sunshine Peak Apartments. Noelle Hagan, Council member, informed the Council that Sunshine Peak Apartments Phase 2 is applying for funding and that Sunshine Peaks is requesting a letter of support for Phase 2. A motion was made by Noelle Hagan, seconded by Ed Ulibarri to write a letter of support for Sunshine Peak Apartments Phase 2. All voted yes. Motion passed.

State Purchase of Burial Tree Ranch: The City Council considered a letter of support for the State Purchase of Burial Tree Ranch. Noelle Hagan, Council member, informed the City Council that Friends of the River Uncompahgre is asking for a letter of support for the purchase of the Burial Tree Ranch, which is near the Ridgway State Park. Ms. Hagan stated that this property purchase would expand the State Park and that there are historic features on the property.

A motion was made by Ed Ulibarri, seconded by Noelle Hagan to approve a letter of support for the State purchase of the Burial Tree Ranch. All voted yes. Motion passed.

Montrose Economic Development Corporation Budget Disbursement: The City Council considered the budget disbursement to Montrose Economic Development Corporation. There were several citizens that expressed their support of the Montrose Economic Development Corporation budget disbursement.

Ron Courtney, Montrose Economic Development Corporation Board Member, informed the Council that this is an opportunity to expend money that has been budgeted for economic development, which will make the community better and stronger. Additionally, Mr. Courtney requested that if the Council feels that all of the Council's requests have been completed, that the Council draft a letter stating that all of the requests from Council of the Montrose Economic Development Corporation have been filled.

Sandy Head, executive director for Montrose Economic Development Corporation, stated that whether it is stated or not, that this meeting tonight is being held because the Montrose Economic Development Corporation's funding from the City is in danger and that the accusers of the Montrose Economic Development Corporation is not here. Additionally, Ms. Head stated that the accusers have been invited to meet with the Montrose Economic Development Corporation Board and Director and that only one person has met with the executive board and the director. Additionally, Ms. Head reminded the Council that the City of Montrose and Montrose Economic Development Corporation are under contract for funding and that the funds have been budgeted. Ms. Head also requested assurance that the additional contractual amount of \$40,000 set to be dispersed in July, will be dispersed.

Mayor White informed Ms. Head that this item is on the agenda in order to address the concerns of the community.

Council member Hagan stated that when public money is at stake, there is a higher standard. Additionally, Ms. Hagan stated that her goal on Council has been for people to have more faith in government. Ms. Hagan stated that all of the information requested has been provided in a timely fashion, however the board has allowed for an appearance of conflict of interest. Ms. Hagan suggested that maybe it is time for the Montrose Economic Development Board to consider a different type of funding structure and that maybe the City should not have a voting member on the board.

Councilman Ulibarri stated that this is a small community and that appearances of conflict of interest will happen. Mr. Ulibarri suggested that the goals and objectives of Montrose Economic Development Corporation be reviewed to determine if the goals and objectives are still current. Additionally, Mr. Ulibarri stated that the Montrose Economic Development Corporation has done a good job and that the expectation is that the good work will be continued.

Councilman Guara stated that he has served on the Montrose Economic Development Board several times and that he does not have any issues with the Montrose Economic Development Board.

Councilman Abeyta stated that it is the role of leaders of the community to not add fuel to the fire, but to be level headed and open minded. Councilman Abeyta stated that he had no objections to the budgeted funds being disbursed to the Montrose Economic Development Corporation. Additionally, Councilman Abeyta stated the City has received the audit and that the audit shows that there is no financial wrongdoing.

Council member Hagan clarified that she was not suggesting that there has been any wrongdoing, she is just suggesting another funding model and to maximize trust in both organizations.

Mayor White stated that this is a contentious issue in community and that the goal is to foster economic development, opportunities for youth, and incentives for starting a business. Mayor White reminded the Council that the funds would be going to an organization with a 19-member board, with a broad base. Additionally, Mayor White stated that it is clear that the Montrose Economic Development Corporation was to receive the funds.

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The Council agreed that this discussion has been a good step in the right direction and an avenue to look at ways things can be done in the future that may be better for the community.

A motion was made by Carlos Guara, seconded by Ed Ulibarri to approve the budget disbursement for the Montrose Economic Development Corporation. Noelle Hagan voted no. Ed Ulibarri, Jose Abeyta, David White and Carlos Guara voted yes. Motion passed.

ADJOURNMENT

A motion was made by Carlos Guara, seconded by Noelle Hagan to adjourn the regular City Council meeting. All voted yes. Motion passed. The meeting was adjourned with no further action taken.

David S. White, Mayor

ATTEST:

Sharleen R. Walker, City Clerk