A regular meeting of the Montrose City Council was held on Tuesday, March 7, 2023, at 6:00 p.m. in the Community Room of the Montrose Public Safety Complex. Said meeting was posted in accordance with the Sunshine Law.

PRESENT: Dave Frank, Barbara Bynum, Doug Glaspell, J. David Reed, Ed Ulibarri, William E. Bell, Ann Morgenthaler, Ben Morris, Chris Dowsey, Briceida Ortega, Greg Story, Matt Smith, Charles Greenacre, Erin Maxwell, Tim Cox, Jace Hochwalt, William Reis, William Woody, Blaine Hall, Nik Pridy

GUESTS: Luis Macias, Steve Metheny, Sherry Mulvaney, Myrna Shirey, Kenn Huff, Paul Paladino, Kathy Heavers, Judy Ann Files, Ralph Files, Tony Lugard

CALL TO ORDER

Mayor Dave Frank called the meeting to order at 6:00 p.m.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

CHANGES TO THE AGENDA

No changes were made to the agenda.

OATH OF OFFICE FOR MUNICIPAL COURT JUDGE

Deputy City Clerk Briceida Ortega administered the Oath of Office to Municipal Court Judge Erin Maxwell.

CALL FOR PUBLIC COMMENT

No comments were received.

APPROVAL OF MINUTES

City Council considered the minutes of the February 21, 2023, regular City Council meeting.

A motion was made by Doug Glaspell, seconded by J. David Reed, to approve the minutes of the February 21, 2023, regular City Council meeting as presented. All voted yes. Motion passed.

NEW HOTEL AND RESTAURANT LIQUOR LICENSE APPLICATION

City Council considered an application for a new Hotel and Restaurant liquor license at 1222 E. Main Street for Tacos 2 Day LLC doing business as Tacos 2 Day for consumption on the licensed premises. A hearing was held.

City Attorney Ben Morris stated that the file is in order, the fees are paid, and a written findings report is included in the meeting packet. Mr. Morris said that the petitions were circulated, with 191 signatures submitted and 80 signatures determined to be valid and in support of the license being issued. The applicant attended and passed the most recent alcohol server training.

Applicant Luis Macias reviewed the business plan and said he intends to offer authenticity in his tacos and seafood which will be a great addition to the City. Mr. Macias stated that he is familiar with the liquor laws. He attended the alcohol server training, and his staff will also be attending in the future.

Mayor Dave Frank opened the hearing.

Public comment was accepted. No comments were received.

Mayor Frank closed the hearing.

A motion was made by Doug Glaspell, seconded by J. David Reed, to approve a new Hotel and Restaurant liquor license at 1222 E. Main Street for Tacos 2 Day LLC doing business as Tacos 2 Day for consumption on the licensed premises. All voted yes. Motion passed.

ORDINANCE 2616 – FIRST READING

City Council considered Ordinance 2616 on first reading, an Ordinance of the City of Montrose, Colorado, amending Section 6-4-1 (B)(4) of the Official Code of the City of Montrose, Colorado, to correct an internal cross-reference. A hearing was held.

City Attorney Ben Morris explained that there was a cross-reference in the Official Code to a section that was amended in the Animal Control regulations that didn't refer broadly to the Animal Control regulations. Mr. Morris changed the internal cross-reference to be broader so it could be enforced as a nuisance if a pet is violating the Official Code.

Mayor Dave Frank opened the hearing.

Public comment was accepted. No comments were received.

Mayor Frank closed the hearing.

A motion was made by Doug Glaspell, seconded by J. David Reed, to pass Ordinance 2616 on first reading as presented. All voted yes. Motion passed.

ORDINANCE 2617 – FIRST READING

City Council considered Ordinance 2617 on first reading, an Ordinance of the City of Montrose, Colorado, authorizing the sale of real property at addressed at 433 S. First Street, Montrose, Colorado, and being particularly described herein, pursuant to § 1-9-2 of the Official Code of the City of Montrose.

City Councilor J. David Reed provided his remarks on Ordinance 2617 and the Memorandum of Understanding. Mr. Reed mentioned that it was not a fly-by-night decision and that it was a milestone along the way of a strong, multi-faceted partnership between City of Montrose, CMU, Montrose County, Montrose County School District, our local healthcare community and countless businesses and individuals. Mr. Reed also stated that the creation of the Montrose Permanent Fund Endowment is to make sure that the proceeds from the transfer of this public asset will serve a public purpose in perpetuity. *(You can refer to Mr. Reed's complete statement in the March 7th packet).*

City Councilor Ed Ulibarri stated that it didn't seem practical for the City to sell the building and give the money away. Mr. Ulibarri said that he believed the money could be used for a better purpose like purchasing new properties and paying off the debt instead of moving the debt to another building.

City Manager Bill Bell mentioned that the Ordinance is presented today for first reading, and it will be presented at the next City Council meeting for second reading and public hearing. Mr. Bell explained that an appraiser was hired, and they determined the value of the City Hall building was 1.55 million. The building was purchased for 1.5 million. Based on an assessment that was done on the building a few years ago, it was determined that if the City Hall building were to be remodeled for the City's purposes and needs, the cost could be upwards of 8 million due to inflation. Mr. Bell outlined the potential uses for the different rooms in the City Hall building, including a restaurant and bar in the Centennial room, a training kitchen, and 5 dorm units in the upstairs area for students. It is still a work in progress.

City Councilor Barbara Bynum clarified that the historic designation stays with the City Hall building.

Deputy City Manager mentioned that any alterations to the exterior of the City Hall building would be required to be reviewed by the Historic Preservation Commission and meet requirements by the State.

City Councilor J. David Reed explained that a reverter clause was included in the agreement and mentions that if City Hall was ever to be used for a different purpose other then what was agreed to, it would revert back to the City.

Mayor Dave Frank mentioned that if the purchaser had gone through a financial institution instead of the City and obtained a loan and for some reason failed, then that financial institution would hold the lien and title to the City Hall building which is what the City was trying to avoid.

Public comment was accepted. No comments were received.

A motion as made by Doug Glaspell, seconded by J. David Reed, to pass Ordinance 2617 on first reading as presented. Ed Ulibarri voted no. All others voted yes. Motion passed.

MEMORANDUM OF UNDERSTANDING

City Council considered a Memorandum of Understanding between Colorado Mesa University Foundation, Colorado Mesa University, and the City of Montrose to establish the Montrose Permanent Fund to be held and administered by the Foundation.
City Manager Bill Bell explained that the Montrose Permanent Fund would remain no matter if there's a new City Council or City Manager in the future. The idea for this fund is to grow the CMU campus. A 2 million endowment was initially set, the City would sell City Hall for 1.55 million and assign those funds to the Montrose Permanent Fund and CMU would then provide half a million. Since they've decided to do owner carry for the sale of City Hall, it will take longer to get to the 2 million. The City will be bringing in a couple hundred thousand every year to the fund. The Rathbone hotel owners, Mr. Bayle and his partner will provide 20% down right away which they would immediately assign to the Montrose Permanent Fund. Mr. Bell shared that the MOU also establishes a board that would make a decision on how to spend the proceeds from the endowment fund. The board would include representatives from a variety of institutions. The interest that is made would go to building the Montrose campus, setting new programs, cost of equipment, staffing, and the expansion of the CMU facilities. A hospitality training program was needed in Montrose which is the reason why it was included in the MOU. All monies generated from the endowment fund would be assigned to the hospitality program for 3 years. After 3 years the funds could be allocated to a different program or a new facility.

Public comment was accepted. No comments were received.

A motion was made by Barbara Bynum, seconded by Doug Glaspell, to approve a Memorandum of Understanding between Colorado Mesa University Foundation, Colorado Mesa University, and the City of Montrose as presented. Ed Ulibarri voted no. All others voted yes. Motion passed.

RESOLUTION 2023-3

City Council considered Resolution 2023-03 setting April 18, 2023 as the hearing date for the Sunset Village Addition Annexation.

Planner Manager Jace Hochwalt reviewed the annexation schedule and the location of the 10.01 acres, 2 parcels located at 576 6600 Road and 616 6600 Road. The parcels are within the City's Urban Growth Boundary, City of Montrose Sewer Service Area, and the Tri-County Water Service Area. The Planning Commission will hold a hearing on the requested zoning, on March 22.

Mr. Hochwalt recommended adoption of Resolution 2023-3, stating that the property meets criteria for annexation. Mr. Hochwalt said an annexation agreement has been signed by the applicant, and an annexation impact report is not required.

Public comment was accepted. No comments were received.

A motion was made by Barbara Bynum, seconded by J. David Reed, to adopt Resolution 2023-3 as presented. All voted yes. Motion passed.

CASA FINAL PLANNED DEVELOPMENT

City Council considered the CASA Final Planned Development.

Planner II William Reis explained that there have been no major changes since the preliminary approval. Land use map does designate this as a residential use mixed area, supportive housing. The final PD plan is unchanged. Dedicate a utility easement which does extend to the North property line. Staff recommends approval of the final CASA planned development.

Public comment was accepted. No comments were received.

A motion was made by J. David Reed, seconded by Barbara Bynum, to approve the CASA Final Planned Development. All voted yes. Motion passed.

CRACK SEAL MATERIAL PURCHASE AND SOLE SOURCE WAIVER

City Council considered the purchase of crack seal material from Dissco (Denver Industrial) for the total purchase price of $93,741.00.

Streets Superintendent Nik Pridy stated that nothing has changed since the item was presented at the City Council Work Session on February 21st. Mr. Pridy expressed that this material would cover 36 miles of roads in the maintenance zone C. The 2023 budget includes the total purchase price of $93,741.00.

Public comment was accepted. No comments were received.

A motion was made by Doug Glaspell, seconded by Ed Ulibarri, the purchase of crack seal material from Dissco (Denver Industrial) for the total purchase price of $93,741.00. All voted yes. Motion passed. All voted yes. Motion passed.

STAFF REPORTS

Public Works Manager Jim Scheid shared that him and Scott Murphy will be presenting at The Forum on Wednesday, March 8th.

YOUTH CITY COUNCIL COMMENTS

No comments were provided.

CITY COUNCIL COMMENTS

No comments were provided.

MOTION TO ADJOURN

At 7:45 p.m., a motion was made by Barbara Bynum, seconded by J. David Reed, to adjourn the meeting with no further action taken.

ATTEST:

David Frank, Mayor

Lisa DelPiccolo, City Clerk

CITY OF MONTROSE
CITY SEAL
COLORADO