A regular meeting of the Montrose City Council was held on Tuesday, January 16, 2024, at 6:00 p.m. in the City Council Chambers of the Elks Civic Building. Said meeting was posted in accordance with the Sunshine Law.

PRESENT: Barbara Bynum, J. David Reed, Dave Frank, Doug Glaspell, Ed Ulibarri, Peter Phillips, Bill Bell, Ann Morgenthaler, Chris Dowsey, Greg Story, Lisa DelPiccolo, Briceida Ortega, Anthony Russo, Jim Scheid, Shane Brandt, Blaine Hall, Scott Murphy, Jace Hochwalt, David Bries

GUESTS: Judy Ann Files, Ralph Files, Maggie Bynum, Jeremy Master, Dixon Walne, Marty Guy

CALL TO ORDER

Mayor Barbara Bynum called the meeting to order at 6:00 p.m.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

CHANGES TO THE AGENDA

Mayor Pro Tem J. David Reed removed Item 10, Ordinance 2658 – First Reading, from the agenda.

YOUTH CITY COUNCIL APPOINTMENT

City Council interviewed applicant Peter Phillips for a vacant position on the 2023-2024 Montrose Youth City Council.

A motion was made by Dave Frank, seconded by Doug Glaspell, to appoint Peter Phillips to the Montrose Youth City Council for the 2023-2024 term. All voted yes. Motion passed.

CALL FOR PUBLIC COMMENT

No comments were received.

APPROVAL OF MINUTES

City Council considered the minutes of the January 2, 2024, special City Council meeting, and the January 2, 2024, regular City Council meeting.

A motion was made by Doug Glaspell, seconded by Dave Frank, to approve the minutes of the January 2, 2024, special City Council meeting, and the January 2, 2024, regular City Council meeting as presented. All voted yes. Motion passed.

INTERGOVERNMENTAL AGREEMENT WITH MONTROSE RECREATION DISTRICT

City Council considered an Intergovernmental Agreement with Montrose Recreation District for Shared Services.

Deputy City Manager Ann Morgenthaler reported that Montrose Recreation District Operations Manager Jeremy Master was present to answer questions if needed. Ms. Morgenthaler said that proposed amendments to the annual agreement were discussed in detail at the December 4 work session with no subsequent changes, and the MRD Board approved the 2024 agreement as written. An executed version of the agreement is included in the meeting packet along with a redline version showing proposed changes. Ms. Morgenthaler provided an overview of the proposed changes for 2024 and reviewed the overall goal of the shared services agreement to provide efficiencies and cost savings.

Public comment was accepted. No comments were received.

A motion was made by Dave Frank, seconded by J. David Reed, to approve an Intergovernmental Agreement with Montrose Recreation District for Shared Services as presented. All voted yes. Motion passed.

COMMERCIAL KITCHEN GRANT APPLICATION

City Council considered an application for a Commercial Kitchen Grant in the amount of $191,520.00 for 1910 Market and Restaurant at 232, 238 and 242 E. Main Street.

Anthony Russo, Business Development, provided an overview of the project that will establish a restaurant and market on the first floor and housing units on the upper floor. Mr. Russo stated that the total cost to install a commercial kitchen is estimated at $286,000.00 and the total investment in the project is $2.6 million.

Mr. Russo said that a request of $160,000.00 was presented at a previous work session, and the costs for installation of a grease trap and range hood were added to arrive at the final request of $191,520.00. Mr. Russo stated that the items covered by the grant would remain with the building if the property changes owners. Sales tax revenues generated over five years by the restaurant and market are projected at $404,679.00.

Public comment was accepted. No comments were received.

A motion was made by Dave Frank, seconded by Doug Glaspell, to approve a Commercial Kitchen Grant in the amount of $191,520.00 for 1910 Market and Restaurant at 232, 238 and 242 E. Main Street as presented. All voted yes. Motion passed.

COLORADO OUTDOORS FLEX PARK CONSTRUCTION CONTRACT

City Council considered the approval of $424,137.37 in expenditures for construction of the Colorado Outdoors Flex Park. This includes the award of a construction contract to Skip Huston Construction in the amount of $399,937.37 and a survey and engineering support contract to Del-Mont Consultants in the amount of $24,200.00.

City Engineer Scott Murphy reviewed the location of the park near the Flex Building businesses. Mr. Murphy said the original development plan included a small neighborhood park that would be built as business development progressed, and the establishment of the Montrose Recreation District Flex Rec and Bright Beginnings childcare center prompted the need for the park. Mr. Murphy stated that the Planning Department successfully pursued a grant from Colorado Health Foundation which reduced the City's financial obligation.

Mr. Murphy reviewed the bid process and said that Skip Huston Construction has completed other City projects with favorable results. Mr. Murphy said that $100,000.00 was budgeted for the project. The City's projected contribution is under the budgeted amount, and the final contribution may be further reduced. The project is scheduled for completion by July.

Mr. Murphy stated that the property for the park was donated by Doug and David Dragoo, and a Memorandum of Agreement will be brought before City Council to finalize the $350,000.00 land donation. Mr. Murphy thanked project partners including Doug and David Dragoo, Colorado Health Foundation, Montrose Recreation District, Design Concepts, Bright Beginnings, Think Sharp Consulting, and Secret Creek.

Public comment was accepted. No comments were received.

A motion was made by J. David Reed, seconded by Doug Glaspell, to approve $424,137.37 in expenditures for construction of the Colorado Outdoors Flex Park as presented. All voted yes. Motion passed.

RATHBONE HOTEL DEED OF EASEMENT AUTHORIZATION

City Council considered utility and access easements along the western property line of the former City of Montrose City Hall property located at 433 S. First Street.

Public Works Director Jim Scheid reviewed requested easements on the City-owned parcel that the historic City Hall sits upon. Mr. Scheid stated that an access easement will be used by the Rathbone Hotel for an ADA access point on the back of the building, and a sewer easement allows for the installation of a sewer line. Mr. Scheid said that the easements have relatively low impact on the City and will not affect the use of the current alleyway.

Ordinance 2656 – First Reading: City Council considered Ordinance 2656 on first reading, an Ordinance of the City of Montrose, Colorado, authorizing the conveyance of an interest in City-owned real estate pursuant to § 1-9-2 of the Official Code of the City of Montrose (utility easement).

Public comment was accepted. No comments were received.

A motion was made by Dave Frank, seconded by Ed Ulibarri, to pass Ordinance 2656 on first reading as presented. All voted yes. Motion passed.

Ordinance 2657 – First Reading: City Council considered Ordinance 2657 on first reading, an Ordinance of the City of Montrose, Colorado, authorizing the conveyance of an interest in City-owned real estate pursuant to § 1-9-2 of the Official Code of the City of Montrose (access easement).

Public comment was accepted. No comments were received.

A motion was made by Doug Glaspell, seconded by Dave Frank, to pass Ordinance 2657 on first reading as presented. All voted yes. Motion passed.

MONTROSE CITY HALL FAÇADE PROJECT CMGC CONTRACT AWARD

City Council considered the authorization of $2,837,467.17 for the construction of the façade replacement project on City Hall including a contract amendment with FCI Constructors for the services of Construction Manager General Contractor (CMGC) in the amount of $2,424,228.00.

Public Works Director Jim Scheid reported that this item is a project authorization and an amendment to the contract for the third phase of the City Hall renovation project. Mr. Scheid stated that the design of the façade renovation was reviewed at a previous work session by the design team, and the next step is an award recommendation for the CGMC contract. Mr. Scheid stated that the CMGC is FCI Constructors, which has been involved in the project throughout the design phase and will now transition into the construction phase. FCI has proceeded with subcontractor bids to establish a guaranteed maximum price on the project.

Mr. Scheid said construction is projected to start in early May. Awarding the contract now allows FCI to secure the subcontractors now, which helps alleviate issues with contractor availability. Mr. Scheid said access to City Hall will remain open for the duration of the project, though some parking areas and the entire sidewalk will be unavailable during construction.

Mr. Scheid reported that the overall budget for the project is $3.05 million, and a list of expenses is included in the meeting packet. The requested authorization of the contract amendment with FCI includes an owners' contingency to cover unanticipated expenses.

Public comment was accepted. No comments were received.

A motion was made by Dave Frank, seconded by J. David Reed, to authorize $2,837,467.17 for the construction of the façade replacement project on City Hall including a contract amendment with FCI Constructors for the services of Construction Manager General Contractor (CMGC) in the amount of $2,424,228.00. Ed Ulibarri voted no. All others voted yes. Motion passed.

2024 VEHICLE AND EQUIPMENT PURCHASE RECOMMENDATION

City Council considered the authorization of vehicle and equipment purchases for 2024 for the total amount of $2,087,431.64.

Public Works Director Jim Scheid reported that this is the annual large vehicle and equipment purchase. The purchases include both replacements and additions to the fleet.

Mr. Scheid said that the 2024 purchases will be made through a variety of methods including cooperative purchase agreements, RFPs, invitations for bid, sole source waivers, and auctions. Mr. Scheid stated that the purchases are well under the budgeted amounts.

Public comment was accepted. No comments were received.

A motion was made by J. David Reed, seconded by Doug Glaspell, to authorize vehicle and equipment purchases for 2024 for the total amount of $2,087,431.64 as presented. All voted yes. Motion passed.

2024 STREETLIGHT UPGRADE AUTHORIZATION

City Council considered the approval of Year 2 of the Streetlight Upgrade Project, in partnership with DMEA, for the total amount of $120,000.00.

Public Works Director Jim Scheid reported that this project is a continuation of the MOU with DMEA to upgrade streetlight fixtures to LED. Mr. Scheid said the project was successfully initiated last year and a diagram is included in the meeting packet showing the 2023 and 2024 replacements. Mr. Scheid stated that the overall project will span four years. The benefits include a return on investment of just over two years, the ability to organize streetlights by street type, and compliance with the principles of the Dark Skies program.

Mr. Scheid confirmed that the streetlights belong to and are maintained by DMEA. Maintenance issues can be reported to Public Works, DMEA, or via the Better Montrose app.

Public comment was accepted. No comments were received.

A motion was made by Doug Glaspell, seconded by Dave Frank, to approve Year 2 of the Streetlight Upgrade Project, in partnership with DMEA, for the total amount of $120,000.00 as presented. All voted yes. Motion passed.

RESOLUTION 2024-02

City Council considered Resolution 2024-02, a Resolution of the City Council of the City of Montrose, Colorado, authorizing the filing of a Local Planning Capacity Grant Application through the Colorado Department of Local Affairs for the purposes of funding software solutions that streamline the development review process within the City of Montrose, Colorado.

Community Development Director Jace Hochwalt reported that this item was reviewed at the work session earlier in the day and that the grant request is for new building and planning permitting software. Mr. Hochwalt said that DOLA established this grant program with the intent of increasing capacity of local government divisions and departments responsible for processing land use permitting and zoning applications. Mr. Hochwalt said the City is proposing to implement a new cloud based software application that includes seamless online submittals, viewable project statuses by the public, and a user friendly interface for developers and staff.

Mr. Hochwalt stated that the maximum grant request is $200,000.00, and a 20 percent match is required. Mr. Hochwalt said the City intends to apply for up to $100,000.00 for software implementation, data extraction from the existing system, and the first year of annual maintenance and operation costs. Implementation is planned for late 2024 or early 2025.

Public comment was accepted. No comments were received.

A motion was made by J. David Reed, seconded by Doug Glaspell, to adopt Resolution 2024-02 as presented. All voted yes. Motion passed.

STAFF REPORTS

Sales, Use, and Excise Tax Report: Finance Director Shani Wittenberg presented a sales, use, and excise tax report for the month of November 2023. Ms. Wittenberg reported that total sales and use tax collections were up 1.3 percent as compared to November of 2022 with a positive budget variance of 9.9 percent. Year-to-date collections were up 3.6 percent with a positive budget variance of 12.9 percent.

YOUTH CITY COUNCIL REPORT

Youth City Councilor Peter Phillips reported that the Youth City Council held an orientation meeting last week.

CITY COUNCIL COMMENTS

No comments were made.

MOTION TO ADJOURN

At 6:58 p.m., a motion was made by J. David Reed to adjourn the meeting with no further action taken.

ATTEST:

Barbara Bynum, Mayor

Lisa DelPiccolo, City Clerk

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