



CITY COUNCIL WORK SESSION
Monday, June 3, 2024 - 10:00 AM
City Council Chambers, Elks Civic Building - 107 S. Cascade Ave.

Public participation for this meeting will be in person in the City Council Chambers. The meeting can be [viewed online via livestream](#) and video recordings of the meetings can be viewed on our [YouTube page](#).

Hearing assistance devices are available for public use. Please let us know if you need accommodation. The City also offers interpretation for Spanish speakers. Schedule time to book this resource, by [emailing the City](#) at least 3 days before the meeting.

1) **DISCUSSION ITEMS**

- A) Montrose Veterans Memorial Plaza MOA Recommendation (15 minutes)
Staff: Public Works Director Jim Scheid
- B) Fourth of July Events and Fireworks Display Permit Approval (10 minutes)
Staff: Pavilion and Special Events Manager Katie Schroer and Community Events Coordinator Thomas Ceniceros
- C) Otter Pond Circle Special Improvement District Final Assessment of Costs (15 minutes)
Staff: City Attorney Chris Dowsey
- D) Lease Extension Amendment for 514 S. 1st Street -Straw Hat Farm Market & Kitchen Store (10 minutes)
Staff: Community Development Specialist Christopher Ottinger
- E) Purchase Authorization for Clarifier Gearbox Unit for the Wastewater Treatment Plant (15 minutes)
Staff: Utilities Director David Bries
- F) Colorado State Employer Based Child Care Facility Grant Application (10 minutes)
Staff: Jace Hochwalt Community Development Director



2) GENERAL CITY COUNCIL DISCUSSION

3) STAFF COMMENTS

AUTHORIZATION RECOMMENDATION

TO: Honorable Mayor and Montrose City Council
FROM: Jim Scheid, Public Works Director
Cc: William Bell, City Manager
Ann Morgenthaler, Deputy City Manager
DATE: June 3, 2024
Subject: Veterans Memorial Plaza MOA Authorization Recommendation



Recommendation

Consider the approval of a Memorandum of Agreement with Montrose Veterans Memorial Coalition and Montrose County for the construction of a Veterans Memorial Plaza.

Background

Since the work session with City Council on March 4th, 2024 City Staff have been working with members of the Montrose Veterans Memorial Coalition (MVMC) and Montrose County to establish terms of a Memorandum of Agreement (MOA). The MOA sets the framework and the general scope for the project as well as its location. The location is to be the City parcel that is to the West of the Montrose Botanical Gardens near the Montrose Pavilion (shown in Exhibit A). The general scope shows the elements of the project that are intended to be part of the final design (shown in Exhibit B).

The MOA also identifies the process and sequence of tasks to be completed to ultimately lead to the completion of construction. Through the design process it is intended that the construction is to be broken into phases to allow for movement on the project in a scale that can be achieved with available funding.

There is no specific dollar amount being authorized as part of this MOA for contribution from the City or the County to be used towards the construction of the project. The cost of the project and its phases is unknown at this time. Once design has reached a point that a cost estimate can be performed the project may be presented to the City of Montrose and Montrose County for funding requests.

Net Financial Impact

The initial expenses for the Veterans Memorial Plaza Project will be for Design. The City intends to procure a Design Team to establish site grading, drainage, irrigation relocation, utility services, ADA accessibility, site layout, structural elements, lighting, signage, etc. Once the design is substantially complete, the City will have expenses related to the procurement of a General Contractor for cost estimating services prior to establishing a contract for the construction activities. This project is not specifically budgeted in the 2024 budget and may need to be supplemented in the 2024 budget.

**MEMORANDUM OF AGREEMENT BETWEEN THE CITY
OF MONTROSE, MONTROSE COUNTY, AND THE
MONTROSE VETERANS MEMORIAL COALITION**

I. Parties

This Memorandum of Agreement (hereinafter "MOA") is made by and between the **City of Montrose**, a Colorado home rule municipal corporation, with a mailing address of P. O. Box 790, Montrose, Colorado 81402; **Montrose County**, which is a political subdivision State of Colorado, with a mailing address of 1140 N. Grand Ave. Ste 250; and the **Montrose Veterans Memorial Coalition**, a Colorado nonprofit corporation with a mailing address of c/o Welcome Home Alliance for Veterans, 4 Hillcrest Plaza Way, Montrose, Colorado 81401 (sometimes herein referred to individually and generically, as a "Party" and, collectively, as "Parties").

II. Background and Purpose of MOA

The City of Montrose (hereinafter the "City"), Montrose County (hereinafter the "County"), and the Montrose Veterans Memorial Coalition (hereinafter the "MVMC") desire to collaborate to create the "Montrose Veterans Memorial" (hereinafter the "Memorial") within the City property adjacent to the parking lot of the City's Pavilion Events Center as defined in **Exhibit A**. This MOA defines the responsibilities of each Party.

III. City's Responsibilities

During the term of this MOA, the City shall:

- a. Provide City owned property to be built out as the Memorial. The land to be provided is approximately .86 acres in size south of the Montrose Pavilion parking lot, located at 1800 Pavilion Dr. Montrose, CO 81401, and is depicted on the map attached hereto as **Exhibit A**.
- b. Provide design services by procuring a design team to design the Memorial. The design team shall use the preliminary concept plan attached hereto as **Exhibit B** as the starting point of design.
- c. Contribute an amount of monetary contribution separate from the value of the land, of which a final amount shall be set prior to any construction.
- d. Procure a contractor in a manner as the City, in its sole discretion, sees best fit for the Memorial.
- e. Manage and be sole point of contact for design and construction of the Memorial.
- f. Schedule all milestone meetings. There shall be a minimum of five (5) milestone

- meetings, which all parties shall be invited to.
- g. Provide all necessary utilities for the operation of the Memorial after construction.
 - h. Maintain and care for the Memorial starting at the completion of construction, into perpetuity.

IV. County's Responsibilities

During the term of this MOA, Montrose County shall contribute an amount of money to the City to be used for construction, which shall be set prior to the start of any construction. Any contribution is subject to appropriation by the Board of County Commissioners and availability of funds.

V. MVMC's Responsibilities

During the term of this MOA, the MVMC shall:

- a. Provide any existing design documents of the "Montrose Veterans Plaza" which shall be included in the design of the Memorial.
- b. Generate community support through fundraising and project promotion.
- c. Provide any needed funding beyond the financial contributions of the City and the County prior to the start of construction for each phase.
- d. Construction shall not begin until enough funds are available for the entire next phase to be completed.
- e. Provide one single point of contact to the City and County for this project.

VI. Joint Responsibilities

- a. During the term of this MOA, each Party hereto agrees to cooperate in all reasonable respects necessary to consummate the transactions contemplated by this Agreement, and from time to time to do such acts and things and execute and deliver such documents and instruments as may reasonably be required in order to implement the transactions contemplated hereby. Each Party hereto agrees to cooperate in the execution of subsequent addenda, or to re-execute an amended version of this Agreement, in the event that a Party discovers: 1) a clerical error; or 2) a misinterpretation of law; or 3) an error as to form; when such error(s) obviate or hinder the consideration, performance or enforcement of this Agreement.
- b. All parties shall put best efforts to attend any milestone meetings.
- c. The parties shall not unreasonably withhold approval at any stage of the project.

VII. Process

The following is an outline of the timeline of events to occur to the completion of the Memorial.

- a. The City shall procure a design team, which shall include engineering and architecture for any structures within the Memorial.
- b. A conceptual design of all structures/elements shall be completed.
- c. All parties must approve the conceptual design.
- d. Detailed design of each structure/element within the conceptual design shall be completed.
- e. All the parties must approve the design of each structure/element.
- f. The approved structures/elements shall be broken down into phases.
- g. Final design (construction documents) to be completed for all site structures/elements.
- h. All the parties must approve the final design.
- i. The City shall procure a contractor.
- j. The contractor shall provide cost estimates per phase.
- k. MVMC must provide any gap in funding to the City for any phase prior to the start of any construction.
- l. Contractor shall begin construction in the phased approach and complete only the phases that are fully funded as directed by the City.
- m. The City performs inspection and acceptance of contractor's work.
- n. The City shall pay contractor directly for all work performed.
- o. The City shall perform any required maintenance.

VIII. Representatives

- a. The City's point of contact for this project shall be the Park's Superintendent.
- b. The County's point of contact for this project shall be the County Manager.

- c. MVMC's point of contact for this project shall be Les Williams and J. Bob Brueske.

IX. Expenses

The County and MVMC shall pay any monies as required by this MOA to the City. The City shall pay all contractors directly for any work on the Memorial.

X. Term

- a. This MOA shall be effective as of the date of signature last made hereon, and shall remain in effect for one (1) year from date of signature. Renewal shall be automatic, and take place on an annual basis until the Memorial is complete or until termination of this MOA as set forth herein.
- b. Any Party may, in its sole and absolute discretion, and at any time, terminate this MOA without any liability to the non-terminating Party until work begins on the Memorial, except as stated herein. Termination shall be accomplished by sending written notice pursuant to the Notice provisions of this MOA.

XI. Governing Law

The laws of the State of Colorado (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this MOA, including, without limitation, its validity, interpretation, construction, performance, and enforcement.

XII. Indemnification

To the fullest extent permitted by law, MVMC agree to indemnify and hold harmless the City and County, its officers and its employees, from and against all liability, claims and demands, on account of injury, loss, or damage, which arise out of or are in any manner connected with any materials (e.g. flagpoles, statutes, plaques) to be incorporated provided to the City by MVMC for the Memorial, if such injury, loss, or damage, or any portion thereof, is caused by, or claimed to be caused by, the act, omission, or other fault of MVMC or any subcontractor of MVMC, or any officer, employee, representative, or agent of MVMC or of any subcontractor, or any other person for which MVMC is responsible. MVMC shall investigate, handle, respond to, and provide defense for, and defend against any such liability, claims and demands, and bear all other costs and expenses related thereto, including court costs and attorney fees.

XIII. Notice

- a. *Requirement of a Writing; Permitted Methods of Delivery.* Each Party giving or making any notice, request, demand or other communication (each, a "Notice") pursuant to this MOA shall give the Notice in writing and use one of the following methods of delivery, each of which for purposes of this MOA is a writing: personal delivery, Registered or

Certified Mail (in each case, return receipt requested and postage prepaid), nationally recognized overnight courier, (with all fees prepaid), facsimile or e-mail.

- b. *Addressees and Addresses.* Any Party giving a Notice shall address the Notice to the appropriate person at the receiving Party (the “Addressee”) at the address listed on the first page of this MOA or to another Addressee or another address as designated by a Party in a Notice pursuant to this Section.
- c. *Effectiveness of a Notice.* Except as provided elsewhere in this MOA, a Notice is effective only if the Party giving the Notice has complied with subsections (a) and (b) and if the Addressee has received the Notice.

XIV. Counterparts

This MOA may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this MOA to produce or account for more than one (1) such counterpart.

XV. Whole Agreement

This MOA represents the entire understanding of The Montrose MVMC Memorial Coalition and the City in relation to the subject matter hereof, and supersedes any and all previous agreements, arrangements or discussions between them (whether written or oral) with respect of the subject matter hereof.

XVI. Severability

If any provision of this MOA is held invalid, illegal or unenforceable, the Parties shall negotiate in good faith to modify this MOA to fulfill as closely as possible the original intents and purposes of this MOA.

XVII. Assignment

- a. *No Assignments.* Neither Party may assign any of its rights under this MOA, except with the prior written consent of the other Party. That Party shall not unreasonably withhold its consent. All assignments of rights are prohibited under this subsection, whether they are voluntary or involuntary, by merger, consolidation, dissolution, operation of law, or any other manner. For purposes of this Section, (i) a “change of control” is deemed an assignment of rights; and (ii) “merger” refers to any merger in which a Party participates, regardless of whether it is the surviving or disappearing corporation.
- b. *No Delegations.* No Party may delegate any performance under this MOA.
- c. *Ramifications of Purported Assignment or Delegation.* Any purported assignment of

rights or delegation of performance in violation of this Section is void.

- d. This MOA binds and benefits the Parties and their respective heirs, executors, administrators, legal representatives, and permitted successors.

XVIII. TABOR

The Parties agree that the City's and County's payment of any monies, or provision of services requiring a financial commitment under this Agreement is subject to annual budget appropriations as required by provisions of the Taxpayers' Bill of Rights ("TABOR") contained in Article X, Section 20 of the Colorado Constitution, as amended. The Parties further agree that any failure to fund the obligations set forth herein as a result of TABOR-related monetary constraints shall not give rise to any legal or equitable cause of action whatsoever.

XIX. Third Party Beneficiaries

This agreement does not and is not intended to confer any rights or remedies upon any person or entity, other than the signatories.

IN WITNESS WHEREOF, the Parties have caused this MOA to be executed by their respective officers thereunto duly authorized, all as of the date set forth beneath their respective signatures. This MOA shall become effective as of the date of signature last made hereon.

Accepted and Agreed to by:

CITY OF MONTROSE, COLORADO

By: _____
Its: _____
Date: _____

COUNTY OF MONTROSE, COLORADO

By: Roger Rash, Chair
Its: Roger Rash
Date: 5/15/24

THE MONTROSE VETERANS MEMORIAL COALITION

By: [Signature]
Its: Ad of Directors President
Date: 5/22/24

By: [Signature]
Its: CHAIRMAN BOD
Date: 5/22/24

By: [Signature]
Its: Board Member
Date: 5/22/24

By: [Signature]
Its: Sec BOD
Date: 5/22/24

EXHIBIT A



EXHIBIT B



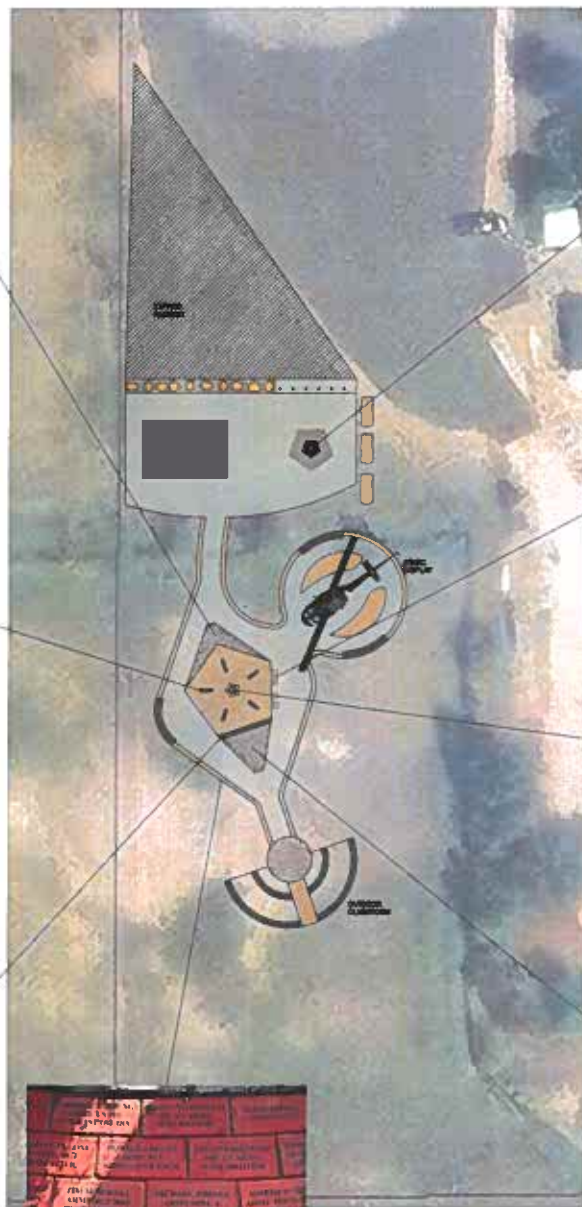
SCULPTURE OR STONE MEMORIAL



GRANITE DISPLAYS AROUND PLAZA



ETCHED GRANITE MURAL ON SIDE OF PLAZA



MEMORIAL BRICKS ALONG WALKWAY



BRONZE EAGLE WITH DEDICATION PLAQUES



MEMORIAL OR DONOR BENCH



FLAGPOLE IN CENTER OF PLAZA



SCULPTURE OR STONE MEMORIAL



PICNIC STRUCTURE EXAMPLE



OUTDOOR CLASSROOM EXAMPLE



STATIC DISPLAY EXAMPLE



MONTROSE VETERANS MEMORIAL
PAVILION SITE CONCEPT PLAN

PRELIMINARY



CITY OF MONTROSE
CITY CLERK

MEMO

DATE: June 3, 2024
TO: City Council
FROM: Kathryn Schroer | Pavilion and Community Events Manager
RE: Fireworks Display Permit and Forth of July Activities

The City of Montrose is planning a fireworks display on July 4th. The Municipal Code requires approval from the City Council on June 17.

Please note that the event schedule and firework display applications have been thoughtfully included in the meeting packet for your review.

Additionally, Kathryn Schroer would like to share the list of the activities happing the week of the 4th of July.



4th of JULY

in Montrose

Wednesday, July 3

6:00 PM Air Force Academy Band begins
at the Amphitheater

Thursday, July 4

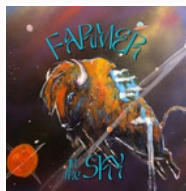
10:00 AM 4th of July Parade

1:00 PM Food Village | Vendors | Kids Activities

3:00 PM Beer Garden

6:00 PM Farmer in the Sky

7:30 PM Jordan Rainer



TOP 10
FINALIST
ON THE
VOICE

DUSK Fireworks

Friday, July 5

8:00 AM Pancake breakfast at Welcome
Home Alliance for Veterans

6:00 PM Montrose Summer Music Series

CODY HIBBARD



More info: **Montrose Summer Music Series**

**MONTROSE
ANTHEMS
UNDER THE
STARS**

6PM

AMPHITHEATER



CityofMontrose.org/July4



Katie Schroer, Pavilion & Community Events Manager Kschroer@CityofMontrose.org 970.252.4880

Thomas Cenicerros, Pavilion & Community Events Coordinator Teeniceros@cityofmontrose.org 970.252.4881



Fireworks Display Permit Application

Organization: _____

Event Contact Person: _____

Address: _____

Phone Number: _____

Area where fireworks are to be displayed:

Date and time of display: _____

Kathryn Schroer

Signature of Applicant

Date

Permission of Property Owner: _____

Proof of General Liability Insurance received: _____

Approval of the Chief of the Montrose Fire District: _____

Approval of the Montrose City Council: _____

\$50.00 Fee Collected: _____

City Clerk

Date

MEMORANDUM



TO: Honorable Mayor and Members of the City Council
FROM: Chris Dowsey, City Attorney
DATE: June 3, 2024
RE: Ordinance for Final Assessment of Costs for the Otter Pond Circle Utility Relocation
Special Improvement District
CC: William Bell, Ann Morgenthaler, Scott Murphy

Action

Council consideration of an ordinance to assess final costs associated with the Otter Pond Circle Utility Relocation Special Improvement District which was created by Ordinance in January 2024.

Background

It was found that the Otter Pond Dam was failing in the summer of 2022. The HOA reached out to the City to see what assistance could be provided to these citizens of the City. The City has a procedure in its code to create a Special Improvement District (“SID”). What a SID does is have the City up front the cost of the project related to City infrastructure, then defray the cost to all members within the SID.

In January 2024, City Council adopted ordinance No. 2653, Creating the Otter Pond Circle Utility Relocation Special Improvement District (“District”). This Ordinance outlined that an amount up to \$420,000 in costs associated with the improvements within the District would be repaid to the City by an assessed value of 1/85 of the actual total cost for the improvements plus interest, where applicable, to each parcel.

Final costs for the relocation of the water and sewer utilities and repair of the roadway total \$419,993.40, as summarized in the attached Table 1. The assessment cost to each individual owner within the SID equates to \$4,941.10 per parcel ($\$419,993.40/85 = \$4,941.10$). Parcel owners have the option to prepay their balance with a 2% discount for a specified period after the final assessment ordinance is adopted. The second option is annual payments over 20 years with 4% interest accruing, this will be paid through the County Assessor to be dispersed to the City’s SID fund.

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY OF MONTROSE, COLORADO, ASSESSING THE COSTS OF THE OTTER POND CIRCLE UTILITY RELOCATION SPECIAL IMPROVEMENT DISTRICT TO THE PROPERTY INCLUDED WITHIN THE DISTRICT.

WHEREAS, the City Council approved the creation of the Otter Pond Circle Utility Relocation Special Improvement District in January 2024 through Ordinance No. 2653; and

WHEREAS, the costs of the Otter Pond Circle Utility Relocation Special Improvement District have been sufficiently determined in order to make the assessments; and

WHEREAS, the City Council has held a hearing concerning any complaints or objections to the assessments, made adjustments as equitable and the assessment herein are lawful and equitable.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MONTROSE, COLORADO.

SECTION 1:

The costs of the improvements to be assessed against each of the parcels of property in the Otter Pond Circle Utility Relocation Special Improvement District are as follows: 1/85 of \$419,993.40, in the amount of \$4941.10 per parcel.

SECTION 2:

The property to be included within the District is visually depicted on the map attached as **Exhibit A** and more specifically described below. All of the property is located within Montrose County, Colorado.

Legal description to be as follows:

Lots 1-18 and Lots 21-56 and Lots 58-85, part of the Otter Pond Subdivision

Lot B, Replat of Lots 19 & 20, part of the Otter Pond Subdivision

Lot X, Plat of the Spec Six Subdivision

Lot 1, Beard Amended Plat

City of Montrose, County of Montrose, State of Colorado

SECTION 3:

Assessments may be paid immediately or in 20 annual installments with interest at 4% per annum on the unpaid principal. If such assessments are paid within 30 days after publication of this ordinance, a 2% discount shall be allowed. The first annual installment shall be due at the same time as annual property taxes each year thereafter until paid in full.

You will please take notice that the Montrose City Council will hold a hearing upon the above Ordinance and on the question of its passage on first reading on Monday, the 17th day of June, 2024, at the hour of 6:00 p.m. at the City Council Chambers in the historic Montrose Elks Building at 107 S. Cascade Avenue in Montrose, Colorado.

INTRODUCED, READ and PASSED on first reading this 17th day of June, 2024.

J. David Reed, Mayor

ATTEST:

Lisa DelPiccolo, City Clerk

INTRODUCED, READ and ADOPTED on second reading this 2nd day of July, 2024.

J. David Reed, Mayor

ATTEST:

Lisa DelPiccolo, City Clerk

EXHIBIT A





CITY OF MONTROSE

MEMO

TO: City Council
FROM: Christopher Ottinger, Community Development Specialist
DATE: June 3, 2024
RE: Lease Agreement for 514 S. 1st Street (Straw Hat Farm Market & Kitchen Store)
ATTACHMENTS: Current Lease; Lease Amendment for extension

City Council Consideration

The City of Montrose owns the property located at 514 S 1st Street and leases it to the Straw Hat Farm Market & Kitchen Store. The current lease is set to expire on February 28, 2025. City Council is considering a five-year extension of the existing lease that will run through February 28, 2030.

Background

The City of Montrose purchased the property located at 514 S 1st Street in 2011. The property contains a 4,701 square foot building which was originally constructed in 1935, and has been periodically remodeled since that date. In March of 2018, the City of Montrose agreed to lease the property to Straw Hat Farm Market & Kitchen Store. The original two-year lease was renewed in 2020 for additional five years, running through February 28, 2025. Straw Hat Farm Market & Kitchen Store has recently been seeking a grant to expand their kitchen and would like to renew their lease early to solidify a longer-term presence at the property. They are requesting a five-year lease extension that will run through February 28, 2030. Their lease rate for the extension would remain unchanged, at \$1,180 per month. Attached to this memo is the current lease as well as the proposed lease amendment reflecting the five-year extension. City staff is recommending approval of this lease extension.

FIRST AMENDMENT TO COMMERCIAL LEASE AGREEMENT

This First Amendment to Commercial Lease Agreement ("Amendment") dated this ____ day of _____, 2024, is entered into between the CITY OF MONTROSE, a Colorado home rule municipal corporation, with a principal address of 400 E Main Street, P.O. Box 790, Montrose, CO 81402 ("Lessor") and the STRAW HAT FARMS, LLC, a Colorado Limited Liability Company with a principal address of 66849 Solar Road, Montrose, CO 81403 ("Lessee"); the aforementioned entities may sometimes be collectively referred to as the ("Parties").

WHEREAS, Lessor and Lessee entered into the Commercial Lease Agreement dated June 9, 2021, relating to the Premises, more particularly described as the building consisting of approximately 4,738 square feet and the lot, and located at: Lots 7, 8, and 9, Block 65, Town of Montrose, now part of the City of Montrose according to the official plat thereof, County of Montrose, State of Colorado, with a Parcel No. of: 3767-273-30-004 (the "Lease"); and

WHEREAS, Lessor and Lessee have agreed to amend the Lease, upon the terms and conditions hereinafter described.

NOW, THEREFORE, for good and valuable consideration paid by Lessee to Lessor and the mutual covenants, terms, and conditions, set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby amend the Lease as of the Effective Date as follows:

Section 1. Basic Terms is hereby amended as follows:

The following basic terms are hereby approved by the parties and each reference in this Lease to any of the basic terms will be construed to include the provisions set forth below:

Term of Lease:	Monthly ending on February 28, 2030
Base Rent:	\$1180.00/month from March 1, 2024 to February 28, 2030
Additional Rent:	Taxes, if any Insurance Utilities Premises Maintenance Landscaping Maintenance Security System Monitoring and Maintenance, if any
Permitted Use of Premises:	Retail, commercial and for other lawful purposes
Advance rent:	\$0.00
Security Deposit:	\$0.00

Section 3. Rent is hereby amended as follows:

Lessee shall pay Lessor that amount in installments as listed in Paragraph 1 above, each month, beginning March 1, 2018, with succeeding payments due on the 1st day of each month thereafter during the term of the Lease.

Section 23. Notice shall be amended as follows:

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by hand delivery, or via United States certified mail, return receipt requested, addressed as follows:

If to Lessor to:

City of Montrose
Attn: Community Development
400 E Main Street
P.O. Box 790
Montrose, Colorado 81402-0790

Or

City of Montrose
City Attorney
400 E. Main Street
P.O. Box 790
Montrose, CO 81402-0790

If to Lessee to:

Chester Byler
Straw Hat Farms, LLC
66849 Solar Road
Montrose, CO 81403

Lessor and Lessee shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

All terms and conditions of the Commercial Lease Agreement not amended hereby shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed and made effective this Amendment as of the day and year first above written.

LANDLORD: CITY OF MONTROSE

LESSEE: STRAW HAT FARMS, LLC

J. David Reed, Mayor

Chester Byler

STATE OF COLORADO)

) SS.

COUNTY OF MONTROSE)

The foregoing instrument was acknowledged before me this ____ day of _____, 2024, by William E. Bell, City Manager of Montrose.

Witness my hand and official seal.

My commission expires: _____.

(SEAL)

Notary

STATE OF COLORADO)

) SS.

COUNTY OF MONTROSE)

The foregoing instrument was acknowledged before me this ____ day of _____, 2024, by Chester Byler, for Straw Hat Farms, LLC.

Witness my hand and official seal.

My commission expires: _____.

(SEAL)

Notary



Council Transmittal Memo
Date: May 29, 2024

To: Mayor and City Council
From: David Bries, Utilities Director
CC: Shani Wittenberg, Finance Director
Hyrum Webb, Lead Operator
Subject: Sole Source – Amwell Clarifier Gearbox

Recommendation

City staff recommends approval of a sole source purchase of one 42H6T Amwell clarifier drive unit for the wastewater treatment facility.

Background

The wastewater treatment plant utilizes three clarifiers to separate the treated water from the solids at the end of the process. These solids are returned to the treatment process or to the digesters, and the clean water goes to the UV disinfection system prior to discharge to the Uncompahgre River. The design of the treatment plant requires the use of at least two clarifiers at all times to properly separate the solids and the clean effluent.

During routine maintenance of the gearboxes/drive units on clarifiers 1 and 2 last month, it was discovered that there were some brass metal shavings in the oil. After checking the oil two weeks later, we discovered that there was a significant increase in the amount of brass metal shavings in the oil. We discussed this finding with the manufacturer, and were advised that there will likely be a failure of one or both of the gearboxes within the next 6+ months. It was recommended to purchase one brand new unit (\$58,400.00) to replace one of the failing units. Currently the expected lead time is 12 - 14 weeks from order date.

Between now and the delivery date of the equipment, staff will solicit proposals from mechanical contractors to remove the failing unit and to install the new gearbox unit. Staff expects the contractor costs to remove and replace the gearbox unit will be in the \$25-\$30,000 range.

After replacement of the failing unit, it would be sent in for a rebuild (\$38,800.00) and then be used to replace the other gearbox on clarifier 2. The plan is to send in the second gearbox to be rebuilt in 2025 and to keep it in our inventory for a future replacement.

Financial Impact

The \$58,400 cost for the replacement gearbox was not included in the 2024 Wastewater Treatment budget, but is a critical piece of equipment and a failure of this piece of equipment could potentially cause NPDES permit violations. Staff will monitor expenditures and if needed a budget amendment would be done near the end of the year. Currently staff believe there is sufficient budget authority without a budget amendment.

CITY OF MONTROSE

SOLE SOURCE WAIVER REQUEST

REQUESTING DEPARTMENT: Public Works- Utility div.

DATE: May 22, 2024

REQUESTED BY: Hyrum Webb, Lead Operator WWTP

BID NO. N/A

VENDOR NAME: Amwell

COST: \$58,400.00

JUSTIFICATION

(INITIAL ALL ENTRIES THAT APPLY TO REQUEST)

PRODUCT OR SERVICE DESCRIPTION: **Clarifier 1 Gearbox**

1. ☒ Vendor is the original equipment manufacturer and there are no regional distributors.
2. ☐ The product, equipment or service requested is clearly superior functionally to all other similar products, equipment or service from another manufacturer or vendor.
3. ☐ The over-riding consideration for purchase is compatibility or conformity with City-owned equipment in which non-conformance would require the expenditure of additional funds.
4. ☐ No other equipment is available that shall meet the specialized needs of the department or perform the intended function.
5. ☐ Detailed justification is available which establishes beyond doubt that the vendor is the only source available to provide the item or service required. (See Below)
6. ☐ Detailed justification is available which proves it is economically advantageous to use the product, equipment or service.

I recommend that competitive procurement procedures be waived and the product or service described herein be purchased as a sole source.

DEPARTMENT AUTHORIZATION: Hyrum J. Webb Lead Operator

Authorized Signature

Title

Date

Utilities Manager

Purchasing Approval:

Authorized Signature

Title

Date

FINAL AUTHORIZATION: City Council Approval Required (\$50,000 +) NO
City Manager Approval Required (\$20,000-\$50,000) NO
Dept. Head Approval Required (\$10-\$20,000) YES

Attach detailed justification documentation and forward to Purchasing Agent



TO: City Council

FROM: Jace Hochwalt, Community Development Director

DATE: June 3, 2024

SUBJECT: Seeking Approval to Apply for a Colorado State Employer-Based Child Care Facility Grant

INTRODUCTION

City of Montrose staff is seeking approval from City Council to apply for a grant through the Colorado Department of Early Childhood specific to an Employer-Based Child Care Facility grant. The purpose of this grant request is to remodel and furnish an existing property located at 703 S. 9th Street in order to provide a long-term child care option for Montrose employees.

BACKGROUND

In 2022, the Colorado legislature passed Senate Bill 22-213, which expanded the employer-based child care facility grant program to assist with the cost of creating an on-site or near-site childcare facility for eligible non-profit, for-profit or government entities. The grant program, through the Colorado Department of Early Childhood, responds to the long-established need for more affordable, convenient, and quality child care. In addition, it is a program that provides employers and employees alike with benefits by helping improve recruitment and retention, decreasing employee turnover increase employee productivity by reducing absenteeism, among many other benefits.

The City of Montrose recently completed a survey for City staff, as well as other governmental and quasi-governmental agencies including Montrose County School District, Montrose County, Montrose Recreation District, Montrose County Fire District, Montrose Regional Health, 7th Judicial District of the State of Colorado, Montrose Library, and Western Colorado Regional Dispatch Center. The survey received nearly 300 responses, with the consensus being that additional child care options are needed in Montrose. The survey results reflected that 33 families want to enroll their infant or toddler in child care, but are currently unable to do so because of availability or cost. Furthermore, 69 survey respondents indicated they were considering having a newborn in the next two years.

In addition to the survey, the Montrose County Childcare Needs Assessment was completed by Root Policy in late 2021, which reflected a shortage of childcare spaces, noting that Montrose County is classified as a “childcare desert”. With this data in mind, as well as the grant opportunity for employer-based child care, City staff have been searching for facilities in the Montrose area that have the ability to be retrofitted into a child care facility. The property at 703 S. 9th street came up as an option, which is currently a City-owned facility that would not have to be acquired. After completing a thorough site inspection of the property on May 24, 2024, which comprises a 4,200 square foot building and ample outdoor space (which is required for childcare licensing), it was determined that the property would be a great fit for a possible child care facility. As mentioned, the facility is owned by the City of Montrose and currently leased to the Montrose County School District. After conversations with the School District, they would be willing to

vacate the property should the City move forward with a construction project to retrofit the building to a child care facility.

Per the grant guidelines, the maximum funding request is \$800,000, and there is a 25% match that would be required. Funding can be used for construction, renovation, remodel, retrofit and/or furnishing of a child care facility. In addition, if a grant of up to \$250,000 is awarded, the City of Montrose must attest that it will maintain the childcare facility for a minimum of three years. If a grant greater than \$250,000 is awarded, the City of Montrose must attest that it will maintain the child care facility for a minimum of five years. If the child care facility is not maintained as a fully operational and staffed child care facility for the minimum amount of time, the City of Montrose will be required to repay a proportionate amount of the grant.

The grant application is due on June 14, 2024, and City staff is finalizing a budget now, which will include costs for remodeling the facility and bringing it up to child care licensing standards, as well as furnishings for the facility. While the budget is not finalized at this time, the facility is in good repair, and only minor items of deferred maintenance were noticed at the time of the inspection.

FINANCIAL CONSIDERATIONS

The maximum grant request is \$800,000 and there is a 25% match required. Staff is in the process of developing a budget for what the renovation costs will be, as well as getting cost estimates for furnishings. It is unlikely that the final grant request will be for the full \$800,000 given the good repair of the building, but the request to City Council would be to authorize staff to apply for up to \$800,000 in the case that cost estimates do come in near that amount.

RECOMMENDATION

City Staff recommends approval by City Council to authorize the submission of a grant through the Colorado Department of Early Childhood specific to an Employer Based Child Care Facility Grant. The requested grant amount of up to \$800,000 will be utilized to retrofit and furnish the property located at 703 S. 9th street in Montrose, Colorado.