



CITY COUNCIL WORK SESSION
Monday, December 16, 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) INTRODUCTION OF NEW CITY EMPLOYEES

Alecia Bohannon - Customer Service Technician
Jacob Wesley - Streets Division Worker
Jaden Bries - Parks and Special Projects Worker
Robert Reynolds - Building Inspector
Clint Swope - Police Officer
Caleb Jolley - Police Officer
Scott Joy - Police Officer
Cynthia Barboza - Victim Advocate

2) DISCUSSION ITEMS

- A) Public Works Facility Irrigation Relocation & Preliminary Site Fill Contract Award
(20 minutes)
Staff: City Engineer Scott Murphy
- B) Public Works Facility Design Contract Extension Recommendation (15 minutes)
Staff: Public Works Director Jim Scheid
- C) 2025 Vehicle and Equipment Purchase Recommendation (20 minutes)
Staff: Public Works Director Jim Scheid and Fleet Superintendent Shane Brandt



D) Wastewater Treatment Plant Motor Control Center (MCC) Project Change Order
(15 minutes)
Staff: Utilities Director David Bries

E) Update to MOU and Promissory Note for Sunshine Peak Apartments and
Montrose County Housing Authority (10 minutes)
Staff: Community Development Specialist Christopher Ottinger

F) Designation of Official Posting Location (5 minutes)
Staff: City Clerk Lisa DelPiccolo

3) GENERAL CITY COUNCIL DISCUSSION

4) STAFF COMMENTS

A) 2025 City Council Meeting Schedule
Staff: City Clerk Lisa DelPiccolo

CONTRACT AWARD CONSIDERATION



TO: Honorable Mayor and Members of the City Council
FROM: Scott Murphy, *City Engineer*
DATE: December 5, 2024
RE: Public Works Facility Irrigation Relocation and Preliminary Site Fill Contract Award
CC: William Bell, Shani Wittenberg, Jim Scheid

Action

Consider the approval of \$4,558,427.31 in expenditures for construction of the Public Works Facility Irrigation Relocation and Preliminary Site Fill Project. This includes the award of a construction contract to Williams Construction in the amount of \$4,376,927.31, a survey and engineering support contract to Del-Mont Consultants in the amount of \$116,500, and up to \$65,000 in direct expenditures for a job trailer and survey equipment to support the project.

Background

City Staff have been working on the long-range planning and design of a replacement public works facility since 2016. The existing facility located at 1221 6450 Road was built in the 1960's and has essentially reached the end of its useful life. Planning efforts for a new facility indicated that the existing site would not be large enough for the long-term growth needs of the public works department. As a result, the City acquired a 16 acre parcel at the corner of Rio Grande and East Oak Grove Roads for construction of the replacement facility.

Over the past five years, the City has also been working to secure rights of way necessary to construct the extension of Rio Grande Avenue from East Oak Grove Road to River Landing. The public works parcel purchase was the last piece of property needed to complete that extension. An overview of the eventual layout for Rio Grande and its relation to the proposed public works site is available online at <https://tinyurl.com/RioGrandeOverview>

In anticipation of the upcoming public works site construction and the associated construction of Rio Grande Avenue alongside its frontage (East Oak Grove to Anderson Road), this first project will relocate conflicting irrigation ditches, fill the public works site and Rio Grande frontage to its rough grade, and reconstruct the existing recreation trail to its permanent configuration alongside the future Rio-Grande extension (including widening to 10' wide). An overview of the project footprint is included as an attachment to this memo. Construction of the remaining project components (parking lot and vertical construction) is currently being procured separately through its own CM/GC procurement process and will come to council under a separate authorization.

Project Bidding and Associated Expenditures

Construction of the Public Works Facility Irrigation Relocation and Preliminary Site Fill Project was put out for bid on November 4th and bids were publicly received on November 26, 2024 from six contractors as summarized in Table 1 below. Bid totals presented include a 10 percent contingency.

TABLE 1
Summary of Bid Results

Contractor	Location	Bid Total
Williams Construction	Norwood, CO	\$4,376,927.31
Haynes Excavation	Montrose, CO	\$5,423,042.56
Ridgway Valley Enterprises	Montrose, CO	\$5,699,210.00
Meridian Contracting	Olathe, CO	\$6,412,030.90
Mountain Valley Contracting	Grand Junction, CO	\$7,047,460.75
Oldcastle dba United Companies	Montrose, CO	\$7,114,241.75

The City has positive experience working with the low bidder, Williams Construction, on numerous large City capital projects and considers them qualified to perform the work. As a result, it is recommended that the construction contract be awarded to Williams. It should be noted that the City's local preference policy or best-value rating system would not change the outcome of bidding in this case.

In addition to the award of a construction contract, we are also recommending award of an engineering support and survey stakeout contract to the project designer, Del-Mont Consultants. Work to be performed by Del-Mont Consultants includes technical support of any issues that may arise during construction, pre- and post-construction aerial drone surveys to calculate final volumes for payment, processing of prepared fill surface data provided by the City of Montrose, and construction stakeout of infrastructure components (new sidewalk, irrigation relocation, and utility stubs). This scope of work is budgeted at \$116,500 on an as-needed, time-and-materials basis based on a proposal from the consultant.

Additionally, the following direct expenditures are recommended for authorization on the project:

- **Construction Job Trailer and Temp Power.** Given the large scale of this and the upcoming shop construction projects, the City intends to place a construction job trailer on the project site throughout the duration of both projects. This is estimated to cost \$35,000 for the initial trailer setup, temporary power, and trailer rental throughout the duration of the site fill project. Once the site fill project is complete, the remaining trailer rental and removal expenditures will be funded as part of the shop construction project.
- **Survey Unit.** The fill project will include full-time on-site inspection by the City's engineering department. This is to ensure that all quality control measures are maintained throughout construction and will also utilize real-time surveying of prepared clearing/excavation surfaces prior to placement of fill. Collection of these survey data allow for precise payment volumes to be developed as the project progresses. This methodology has the potential to save hundreds of thousands of dollars over traditional volume calculation/payment methods but will tie up the department's existing survey equipment throughout the duration of the project. Rental of a survey unit to be utilized for the project's duration was considered; however, given the project's timeline, the costs for this rental exceeded the purchase price of a new unit. As a result, it is recommended a new unit be purchased at an estimated cost of \$30,000. This has the added

benefit of the survey unit remaining available for use on future projects as engineering design and construction workloads continue to increase over the years and warrant multiple units within the department.

A summary of these costs is included in Table 2 below.

TABLE 2
Summary of Project Costs

Work Element	Cost
Construction Contract (Williams Construction)	\$4,376,927.31
Survey and Engineering Support (Del-Mont Consultants)	\$116,500.00
Construction Job Trailer and Temp Power	\$35,000.00
Survey Unit	\$30,000.00
TOTAL	\$4,558,427.31

Project Schedule and Traffic Control

The fill project is scheduled for completion in September 2025, after which time the site work, shop vertical construction, and initial phase of the Rio-Grande extension are scheduled to commence under a separate authorization.

No traffic impacts are anticipated as part of the site fill project; however temporary closure of the southern recreation trail will be required during times of active fill and reconstruction. This closure is expected to last less than two months.

Contract Administration and Project Financials

Contract administration, project management, and inspection will be performed by the City of Montrose engineering department with support from the design engineer as needed.

Funding for this project is proposed as part of the Certificate of Participation (COP) borrowing planned for the overall public works facility implementation. Until this funding is secured (expected around July 2025), the fill project will be funded directly by the City using existing reserves. After closing on the borrowing, the COP funds may be utilized to repay funding that initially came from City's reserves.

LEGEND

EMBANKMENT / COMMON SITE FILL

IMPORTED STRUCTURAL FILL FROM IN SITU GRAVELS TO BUILDING FOOTER ELEVATION

CUT AREA
(NO FILL
PROPOSED)

CUT AREA
(NO FILL
PROPOSED)

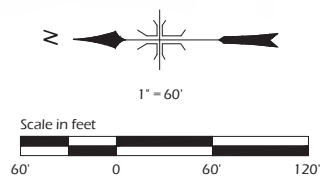
STRUCTURAL FILL FROM IN
SITU GRAVELS TO BUILDING
FOOTER ELEVATION
32,000 C.Y.

<u>EMBANKMENT/Common Site Fill</u>	
SITE BORROW AREAS:.....	11,800 C.Y.
SITE STOCKPILE AREAS:.....	12,000 C.Y.
SPOILS FROM NEARBY CITY PROJECTS:..	10,000 C.Y.
CONTRACTOR-SOURCED IMPORT:.....	54,400 C.Y.
TOTAL: 88,200 C.Y.	

NOTES:

1. THE OVERALL PLAN FOR SITE#LL1 IS TO BACKFILL THE PRIMARY BUILDING AREA USING IMPORTED STRUCTURAL FILL STARTING AT THE IN-SITU GRAVEL LAYER AND EXTENDING UP TO THE BASE OF THE BUILDING FOUNDATIONS (2' BELOW THE ADJACENT COMMON FILL SURFACE). REMAINING AREAS ARE TO BE FILLED USING EMBANKMENT/Common FILL SOURCED FROM THE ON-SITE BORROW AREAS, ON-SITE STOCKPILE AREAS, SPOILS FROM NEARBY CITY PROJECTS. (SEE SHEET 5) AND IMPORTED MATERIAL TO BE SOURCED BY THE CONTRACTOR.
2. SEE GENERAL NOTES FOR ADDITIONAL DETAIL ON MATERIAL SPECIFICATIONS AND PLACEMENT.
3. SEE SHEET 7 FOR ADDITIONAL DETAIL ON FINISH SURFACE TOPOGRAPHY, MEASUREMENT, AND PAYMENT.

PLOTTED BY RDUNCAN, FILE PATH & NAME = \DMS14\PROJECTS\ACTIVE PROJECTS\2024\24040-COM RIO GRANDE & PUBLIC WORKS\3D\24040C_SITE_EWKS.DWG, PLOT DATE = 11/4/2024 8:35 AM



FOR BIDDING PURPOSES ONLY
NOT APPROVED FOR CONSTRUCTION

[illegible]

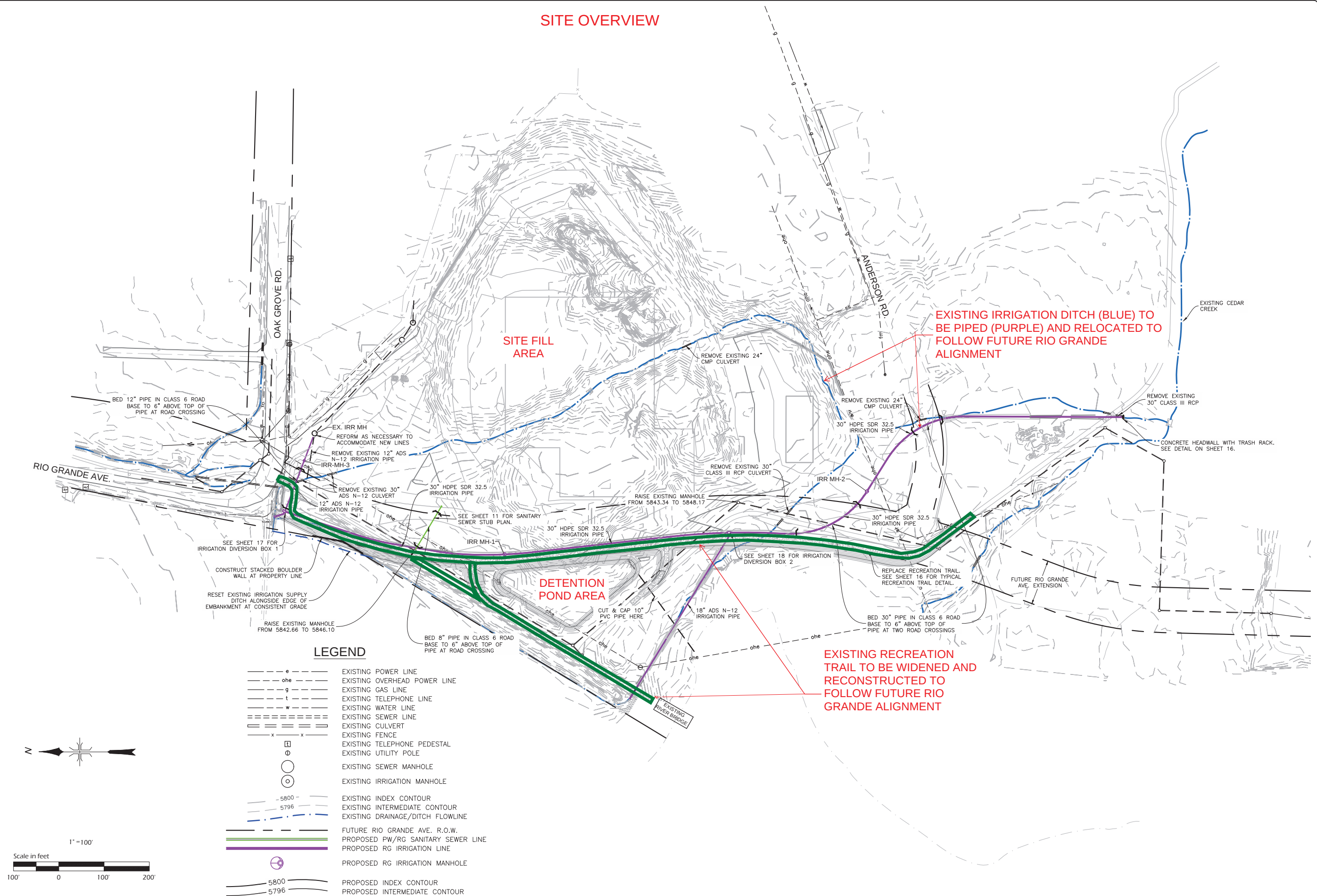
	DEL-MONT CONSULTANTS, INC. ENGINEERING & SURVEYING 225 Colorado Ave. ■ Montrose, CO 81403 ■ (970) 249-2251 www.del-mont.com ■ sales@del-mont.com		DATE RECEIVED 2024/11/04	
ORDERED BY	SCALE	AS NOTED	DWGS	DWGS
QUANTITY #	PLOT NAME	JAIAC, 2ND & IMA-5-0-0		
PJ1				

CITY OF MONTROSE
PUBLIC WORKS FACILITY
IRRIGATION RELOCATION & PRELIMINARY SITE FILL

SITE FILL TYPES AND LOCATIONS

DMC JOB NO.:	24040
SHEET NO.:	6
OF	20
	SHEETS

SITE OVERVIEW



FOR BIDDING PURPOSES ONLY
NOT APPROVED FOR CONSTRUCTION

[illegible]

	DEL-MONT CONSULTANTS, INC. E N G I N E E R I N G ▾ S U R V E Y I N G 125 Colorado Ave. ▾ Montrose, CO 81401 ▾ (970) 249-2251 www.del-mont.com ▾ service@del-mont.com			
	ORDERED BY: _____			
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DRAWN BY: _____	RDD	FILE NAME: _____	2040C_PW_0002_CIVIL.DWG	DATE ISSUED: 2024/11/04

CITY OF MONTEPOLE
PUBLIC WORKS FACILITY
IRRIGATION RELOCATION & PRELIMINARY SITE FILL

UTILITY & SIDEWALK OVERVIEW
WITH ASSOCIATED REMOVALS

MC JOB NO.: 24040

SHEET NO.: 0

9
20 SHEETS

CONTRACT EXTENSION 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: December 16th, 2024
Subject: Public Works Facility and Rio Grande Ave Design Contract Extension



Recommendation

Consider the authorization of \$2,313,878 for the extension of the existing design contract with Blythe Group for the Public Works Facility and Rio Grande Ave Design.

Background

In March of 2024, the City entered into an agreement with Blythe Group for the design of the Public Works Facility and Rio Grande Ave Extension. Blythe Group as the architect of record has developed a design team for this project that is comprised of several design and engineering consultants. This includes but is not limited to Design Architect – Stantec, Civil Engineer - Del Monte Consultants, Mechanical/Electrical Engineering – Big Horn Consulting Engineering, Local Design Associate – Motely Architecture, and Structural Engineer – Lindaur Dunn, Inc. This agreement was initiated with an approval of \$700,000 for the scope of design in 2024. The 2024 City Budget included \$700,000 for this project. The overall design proposal received from Blythe Group was for a total of \$2,902,098. Since then, the Recreation District has requested that a portion of the site to be utilized as a Maintenance Building for their operations. The design for this portion of work is \$111,780, bringing the total design contract amount to \$3,013,878. The chart below shows the different elements that make up the total design contract. After the \$700,000 from the 2024 budget is expended, there is \$2,313,878 remaining of the contract to be authorized.

	Design Element	
2024	Irrigation Relocation and Site Fill Bidding Documents	\$ 700,000.00
	Program Verification	
	Schematic Design	
2025	Design Development	\$ 2,202,098.00
	Construction Documents	
	Rio Grande Extension Design	
	FF&E Design, Bidding, Oversight	
	Recreation District Maintenance Building	\$ 111,780.00
		\$ 3,013,878.00

Blythe Group and the Design Team have completed the Schematic Design in 2024 and this stage of design is a significant milestone because it is being utilized for cost estimating exercises by the CM/GC candidates. These cost estimates will be utilized as basis for the project budget. Some of the documents from the Schematic Design can be found here; <https://tinyurl.com/MPWSchematic> The remaining stages of design to be completed are Design Development and Construction Documents. These later stages are more intensive for the design teams which is why the majority of the cost of the design remains to be expended.

The design contract is one part of a larger project (Public Works Facility and the Rio Grande Ave Extension) that spans over several years and multiple presentations to City Council and other organizations in the community. This recommendation and many others have been presented on this project starting as early as 2020. As the project comes into focus in late 2024 there have been several recommendations presented recently and there are several more anticipated as the project progresses in to 2025. Below is a general description of how the process of completing this project began.

Public Works Facility: Since 2016, City staff have been focused on the long-term planning and design of a new public works facility. The current facility, located at 1221 6450 Road, was constructed in the 1960s and is now beyond its useful life. Its layout and infrastructure no longer support the department's current operational requirements. Among the primary issues are inadequate space for both shop and administrative staff, limited accessibility for individuals with disabilities, insufficient restroom capacity, structural concerns with the building, potential environmental hazards like asbestos and lead, a lack of heated storage for vehicles sensitive to cold temperatures (such as vactors, sweepers, and water trucks), a subpar wash bay, poor traffic flow within the site, inadequate separation between the public and operational areas, and the absence of proper stormwater management for water quality and quantity, including for wash bay runoff.

Planning efforts for a new facility indicated that the existing site would not be large enough for the long-term growth needs of the public works department. The site shown here in orange <https://tinyurl.com/RioGrandeOverview> has been recently purchased for this purpose. The site is ideal for the new public works facility given its central location, large size, and fit with the surrounding area (surrounded by similar operational campuses for the BLM, USFS, BOR, WAPA, and Tri-State).

The City wishes to create a public works facility that accommodates both existing and anticipated operational needs into the foreseeable future. The site layout and building spaces will be situated and constructed such that future expansions (additional storage, shop space, office space, etc.) can be readily accommodated when the need arises 30+ years into the future.

Public Works operations are critical to the overall function of the community, especially in the event of an emergency or natural disaster. To that end, the facility will be designed and constructed with an eye towards durability, resiliency, emergency preparedness, and with an elevated importance factor for building loads and floodplain protection.

In order to promote safety for both the public and for employee operations, the City would like the public works facility to maintain separation between the two without overlap (i.e., public traffic is separate from employee work areas and traffic circulation). For public that visit the site, the intent is for them to have a safe, easy-to-navigate, and welcoming experience. The project is also being designed to ensure all public facing elements are aesthetically pleasing and integrate well with the surrounding area.

Rio Grande Ave Extension: To accommodate future traffic growth, the City's comprehensive plan envisions the eventual extension of Rio Grande Avenue as a minor arterial, connecting East Oak Grove Road to the River Landing commercial area, as outlined here: <https://tinyurl.com/RioGrandeOverview>. In pursuit of this goal, the City has been working to acquire the necessary rights of way across four parcels of land. Over the past six years, in collaboration with landowners, the City has successfully secured the required rights of way. The final parcel, located at the northern end of the alignment, is part of the site designated for the new Public Works Facility. The initial phase of the project will include the construction of the facility, as well as the roundabout at Oak Grove Road and Rio Grande Avenue, and the first section of the Rio Grande extension up to the facility entrance. The remaining road sections and roundabouts that

will eventually link Rio Grande Avenue to the River Landing area will be handled as a separate project, with alternative funding sources to be explored. The City plans to investigate and apply for grant funding for this phase of the project.

Normally, architectural facility/site design is separate from civil road design. In the case of this project the Public Works Facility design and the Rio Grande Ave Extension design have been combined into one design project. This is because of how interdependent the two projects are on each other, meaning that the design of one will impact the design of the other. To keep the design and eventual construction schedules without conflict it is most beneficial to keep the design of both as one project.

Net Financial Impact

Funding for this project is proposed as part of the Certificate of Participation (COP) borrowing planned for the overall public works facility's implementation. Until this funding is secured (expected around July 2025), the Design Contract Extension will be funded directly by the City using existing reserves. After closing on the borrowing, the COP funds may be utilized to repay funding that initially came from City's reserves.

PURCHASE RECOMMENDATION

TO: Honorable Mayor, and Montrose City Council
Cc: William Bell City Manager, Ann Morgenthaler Deputy City Manager
FROM: Jim Scheid Public Works Director
Shane Brandt Fleet Superintendent
DATE: December 16, 2024
Subject: 2025 Vehicle and Equipment Purchase Recommendation



Action

Consider the authorization of vehicle and equipment purchases for the following City Divisions in the total amount of \$2,173,795.72

1. Public Works/Streets Tractor
2. Public Works/Parks Backhoe and Utilities Excavator
3. Public Works/Trash and Recycle Refuse Truck
4. Public Works/Streets and Wastewater Dump Truck
5. Black Canyon Golf Course Grooming machine and Knife Grinder
6. Police Department Patrol Vehicles
7. Public Works/Streets and Police Department Admin Vehicle

Background

The Fleet division uses a fleet management software tool (FASTER) to determine optimal replacement schedules for each fleet asset. FASTER uses initial cost, mileage, maintenance costs, salvage value, and other factors to recommend the replacement of an asset. The Fleet Division considers other factors such as utilization rate, budget, and the availability of underutilized assets as well as the FASTER result, to ultimately schedule asset replacements. The fleet assets listed above have been budgeted for replacement in 2025 after consideration in the budget generation process in 2024 to determine if these vehicles/equipment should in fact be replaced. While the budget for each item is considered, it is reviewed with each division to determine the most appropriate means of replacement. Sometimes a direct and exact replacement is necessary, sometimes the replacement should be purchased with an upgrade in size or options and other times the asset can be simply eliminated or combined in use with another asset.

The City of Montrose uses multiple ways to acquire vehicles and equipment to ensuring a competitive and transparent purchasing decision. The three avenues used in this recommendation are as follows:

- A. Competitive Bidding: This process invites vendors to submit their best price via a proposal to a formal bid document,
- B. Cooperative Purchasing Agreement: This leverages existing contracts to secure government pricing through agreements that vendors have entered to offer awarded pricing to other government agencies. This process allows the City of Montrose to take advantage of pricing offered to government agencies.
- C. Price Quoting: Requesting quotes from multiple vendors provides a clear comparison of pricing, ensuring the City of Montrose receives fair and competitive pricing.

1. Public Works/Streets Tractor

A Streets Division Tractor is due for replacement in 2025. The quote below uses a Cooperative Purchasing Agreement (CPA) through Sourcewell pricing (contract # 031121-DAC).

Vendor/Location	Brand	Price
U.S. Tractor/Montrose	John Deere	\$115,156.70

A total of \$120,000 was budgeted for this purchase. This purchase comes in \$4,843.30 under budget.

2. Public Works/Parks Backhoe and Utilities Excavator

The Fleet Division is replacing a Parks Division Backhoe and the Utilities Division Excavator. For this purchase, the City is using the Cooperative Purchasing Agreement (CPA) Sourcewell contract 032119-JDC for both the Loader and Backhoe.

Vendor/Location	Equipment	Price
4 Rivers Equipment – Grand Junction, CO	John Deere 200G Excavator	\$291,000.29
4 Rivers Equipment – Grand Junction, CO	John Deere 320P Backhoe	\$158,500

The 2025 Parks and Fleet budget combined included \$458,800 for this purchase. This purchase comes in \$9,299.71 under budget.

3. Public Works/Trash and Recycle Refuse Trucks

On December 4th, 2024, the City of Montrose Fleet Division opened bids for one new automated side loader refuse truck. It is a replacement that is included in the 2025 Fleet budget. Five total bids were received, and only three were complete and qualified. The qualified bids are as follows:

	Chassis/Location	Score based on Warranty, Price, Location, Estimated Deliver Date, and Past Experience	Body Company/Location	Total Price
Transwest	AutoCar/Grand Junction	3.2	Curbtender/Grand Junction	\$431,550
Kois Brothers	Auto Car/Grand Junction	2.8	Heil/Denver	\$426,728
Jackson Group	Peterbilt/Fruita	2.6	Curbtender/Grand Junction	\$394,965

City Staff recommends purchasing from Transwest for a price of \$431,550. Transwest has provided the City with excellent service and the Curbtender body has a 5 year warranty which is 4 years longer than the Heil body. The Chassis and Body vendors are on the Western slope which offer close and reliable service. The Fleet Division has budgeted \$450,000.00 for this Refuse Truck. This purchase comes in \$18,450 under budget.

4. Public Works/Streets and Wastewater Dump Trucks

On December 3rd, 2024, the City of Montrose Fleet Division opened bids for two new dump trucks. The Wastewater dump truck is a direct replacement, and the Streets Division dump/plow and sander truck is an upgrade. Both are included in the 2025 Fleet and Streets budget. 5 total bids were received, but only three were complete and qualified. The qualified bids are as follows:

	Chassis/Location	Score based on Bid Specs, Price, Location, and Past Experience	Body Company/Location	Price
Transwest Bid 1	Western Star/Grand Junction	3.3	OJ Watson/Denver Colt/Sterling	\$242,966, \$369,071
Transwest Bid 2	Western Star/Grand Junction	3.0	Kois/Denver Colt/Sterling	\$242,966, \$337,709
Jackson Group	Peterbilt/Fruita	2.8	Colt/Sterling	\$244,717, No bid

City staff recommends awarding the purchase to Transwest Bid 1 at a total price of \$612,037. Transwest (Grand Junction) is the closest bidder to the City of Montrose and has a proven track record of excellent service. Choosing Transwest Bid 1 would ensure the purchase of the same snowplow, sander, and dump body model (Monroe) currently uses in our fleet. This standardization would streamline snow operations by providing consistent controls and functions across the fleet, as well as simplifying the availability of replacement parts. While \$580,000 was budgeted for this purchase, selecting Transwest would exceed the budget by \$32,037.

5. Black Canyon Golf Course Golf Grooming Machine and Knifegrinder

The Fleet Division is replacing a BCGC Grooming Machine and one knife grinder in the 2025 Budget. A CPA is being utilized for this purchase. For this purchase, the City is using Cooperative Purchasing Agreement (CPA) Sourcewell contract number 031121-TTC.

Vendor/Location	Equipment	Price
LL Johnson – Denver, CO	Bullseye Quick Groom 550	\$ 8,759.61
LL Johnson – Denver, CO	Bernhard Express Dual 4300 Reel Grinder	\$72,402.12

Purchasing from LL Johnson will make this purchase \$1,461.73 over the budgeted amount of \$79,700.

6. Police Department Patrol Vehicles

In the 2025 budget 5 Patrol cars are up for replacement. Currently, the Fleet Division has 14 patrol cars on order. Of these 14, 8 of them have been on order for 3 years. This extreme lead time has prompted the Fleet Division to seek out cars that are on hand to prevent this less-than-ideal lead time. Currently, Ken Garff Ford (American Fork, Utah) has 5 Police Interceptors on site and available now. Below is a quote for 5 fully upfitted 2024 Police Interceptors using the 2024 Colorado State bid for comparison.

Dealer/Location	Vehicle	Price
Ken Garff – American Fork, UT	Ford Police Interceptors	\$351,060.00
2024 Colorado State Bid Pricing	Ford Police Interceptors	\$371,500.00

City Staff recommend purchasing from Ken Garff. Purchasing from Ken Garff is not only the best value for the city but also decreases the lead time. This purchase is \$1,060.00 over the budgeted amount of \$350,000.

7. Public Works/Streets and Police Department Admin Vehicle

On December 5th, 2024, the City of Montrose Fleet Division opened bids for two new vehicles. These two replacement vehicles will be used by the Streets Division and Police Department. Four total bids were received, and all four were complete and qualified. The bids are as follows:

Dealer/Location	Vehicle	Price
Sill-TerHer Motors/ Broomfield, CO	Ford Vehicles	\$133,330
Phil Long Ford/Denver, CO	Ford Vehicles	\$135,877
Ken Garff/American Fork, UT	Ford Vehicles	\$136,737
KIG Vehicle Concepts/Miami, FL	Ford Vehicles	\$163,897

City Staff recommends purchasing from Sill-TerHer for a price of \$133,300. They provide the best value for the City of Montrose. \$164,500.00 was budgeted for this purchase making it \$31,200 under budget.

Net Financial Impact

Vehicles/equipment that are being replaced are budgeted in the Fleet Fund and additional vehicles/equipment to the Fleet are budgeted in the divisions' budgets that will utilize the vehicles/equipment. The chart below shows the overall budget impact for these purchases. The overall purchases for fleet and division budgets are under the overall budgeted amount by \$29,204.28

Budget Impact

Equipment type	Purchase Price	Budget Price
Tractor	\$115,156.70	\$120,000
Backhoe/Excavator	\$449,500.29	\$458,800
Refuse Truck	\$431,550.00	\$450,000
Dump Trucks	\$612,037	\$580,000
Patrol Cars	\$351,060	\$350,000
Ford Vehicles	\$133,330	\$164,500
BCGC Groomer and Knife Grinder	\$81,161.73	\$79,700
Total	\$2,173,795.72	\$2,203,000
Overall, budget savings	\$29,204.28	



CHANGE ORDER NO. 1 RECOMMENDATION
WWTP Motor Control Center (MCC) Main Breaker

TO: Mayor and City Council
FROM: David Bries, Utilities Director
Cc: William Bell, City Manager
Shani Wittenberg, Finance Director
Hyrum Webb, Lead Operator
DATE: December 3, 2024
Subject: WWTP MCC Change Order No. 1 Main Breaker,

Recommendation

Review of proposed Change Order No. 1 for costs of purchasing one main breaker and ground fault testing from Browns Hill Engineering and Controls (BHEC) for the Wastewater Treatment Plant Motor Control Center (MCC) project.

Background

Since early 2022, the Wastewater Treatment Plant has been working on the replacement of the MCC. Due to an oversight by BHEC during the design and engineering phase, a main breaker disconnect was not included in the project.

In October of last year, during a site visit from the state electrical inspector, it was discovered that a single main breaker was needed that was not included in the original design and equipment purchase. At that time, BHEC ordered the correct piece of equipment from the manufacturer. Due to extended delivery times for this type of equipment, it took 11 months to deliver the new breaker. State Electrical Code requires the new breaker to be ground fault tested. This was performed by a third party vendor soon after the breakers installation. If the main breaker was included during the initial design phase, the extra costs would have been the breaker, costs for design service and costs to have Sturgeon Electric install the unit. BHEC is covering the design and installation costs due to their oversight, and is requesting payment from the City for the equipment costs and the third party testing that was required by the State Electrical Code.

Equipment/Service Provided	Product Cost	Estimated Delivery
1 Main Breaker for Switchboard 1	\$40,037	Delivered and installed
CED Ground Fault Testing	\$4,485	Service Completed

Net Financial Impact

The total cost for this to the City of Montrose is \$44,525. Funding is available in the Wastewater Treatment Plant Operating Equipment Capital line item (510-7145-944-000). The estimated cost for design and installation that is being covered by Browns Hill Engineering and Controls is \$45,868.



CITY OF MONTROSE
Community Development Department

MEMO

TO: City Council
FROM: Christopher Ottinger, Community Development Specialist
DATE: December 16, 2024
RE: Update to MOU and Promissory Note for Sunshine Peak Apartments/Montrose County Housing Authority

INTRODUCTION

City of Montrose Staff are seeking approval for a revision to the Memorandum of Understanding and Promissory Note signed April 24, 2024 between the City of Montrose and the Montrose County Housing Authority, a body corporate and politic. This revision modifies and updates the agreement to reflect the anticipated legal owner of Sunshine Peak as the Montrose County Housing Authority, a Colorado Non-Profit Corporation.

BACKGROUND

Last year, City Council approved seeking a Community Development Block Grant on behalf of the Montrose County Housing Authority. This was to acquire phase I of the Sunshine Peak Apartments to be preserved as an affordable housing complex in the City. The grant was ultimately awarded in the amount of \$2,400,000. However, due to an oversight on the part of the senior lender, the legal entity actually acquiring the project had to be changed. The Montrose County Housing Authority is also in control of a non-profit of the same name which allows the project to move forward. The City Attorney has revised the documents to reflect the needed changes.

Financial Considerations

There are currently no additional financial considerations for this item.

Recommendation

It is the recommendation of City staff to approve the update to the MOU and Promissory Note

**CITY OF MONTROSE
AND
MONTROSE COUNTY HOUSING AUTHORITY
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AGREEMENT**

THIS AGREEMENT is made and entered into this ____ day of _____, 2024, by and between the CITY OF MONTROSE, a Colorado home rule municipal corporation, whose address is 400 East Main Street, P.O. Box 790, Montrose, Colorado 81402-0790 (hereinafter referred to as the “City”), and MONTROSE COUNTY HOUSING AUTHORITY, a Colorado Nonprofit Corporation, with a principal address of 222 Hap Ct., Olathe, CO 81425 (hereinafter referred to as “MCHA”) (the foregoing entities may sometimes be referred to herein collectively as the “Parties”, or generically and individually as a “Party”).

WHEREAS, MCHA desires to acquire the Sunshine Peaks Apartments (“Apartments”), a 49-unit affordable housing project in Montrose, Colorado, either directly or through a wholly-owned subsidiary, for the purpose of preserving the Apartments as long-term affordable housing (the “Project”); and

WHEREAS, the Apartments are more particularly identified by the Montrose County Tax Assessor as Parcel #3767-214-19-001, Subd: SUNSHINE PEAK FINAL PLAN Lot: 1 S: 22 T: 49 R: 9, in Montrose, Colorado upon which the Project is to occur, and MCHA is an eligible sub-recipient of Community Development Block Grant (“CDBG”) funds; and

WHEREAS, in conjunction with the acquisition, the City has submitted a grant application and agreed to act as a sponsor of a CDBG grant in the amount of up to \$2,400,000 from the Department of Local Affairs (“DOLA”); and

WHEREAS, it is both necessary and desirable for the City to enter into this Agreement with MCHA for purposes of setting forth the relative responsibilities of the Parties with respect to the acquisition, and the expenditure of Grant funds; and

NOW, THEREFORE, in consideration of the mutual covenants, conditions, and obligations set forth herein, the Parties agree as follows:

- I. In consideration of the City’s willingness to act as the sponsor of the CDBG application and award, and to enable Grant funding of the acquisition of the Apartments, MCHA agrees as follows:
 - A. MCHA, in connection with this Project, shall carry out and comply with the rules, regulations, and standards set forth, including procurement requirements, in the CDBG Guidebook with respect to reporting, environmental protection, civil rights, property acquisition, relocation, labor and construction and project close-out as required
 - B. MCHA shall maintain and keep the Apartments in a good and orderly condition, and utilize the Apartments for low-income housing within the Montrose community, for a period specified in the Colorado Division of Housing Beneficiary and Rent Use agreement for the 5 HOME assisted rental units Reception #765205 as well as the units under the Land Use Restriction Agreement Reception #784249
 - C. MCHA shall provide the City copies of all correspondence received from or sent to DOLA related to the utilization or expenditure of Grant funds as referenced in this Agreement, within the Grant application, or within any agreements with DOLA.

- D. MCHA shall provide the City with a copy of the organization's annual financial audit.
 - E. MCHA agrees to provide the City with all information required to prepare financial and performance reports, as required under the CDBG Guidelines. Said information may be sent to the attention of: Jace Hochwalt, Community Development Director, PO Box 790, Montrose, CO 81402 and/or jhochwalt@cityofmontrose.org
- II. MCHA will use the CDBG funds to pay a portion of the purchase price of the Project. In connection with the closing of the purchase of the Project, MCHA shall prepare a request for payment, which requests shall then be forwarded to the City along with supporting documentation (purchase agreement, settlement statement, etc.) to substantiate the request for a draw down of funds. After review, the City shall forward the request to DOLA for payment. Upon receipt of payment, the City shall forward the funds to MCHA or to the title company handling the closing. The City shall require documentation evidencing that such funds were appropriately expended on the Project, and copies of checks and payment of bills by MCHA shall be provided to the City for its permanent records. If the City receives an advance of CDBG funds by the State, MCHA shall submit copies of appropriate documentation (i.e. purchase agreement and settlement statement) or similar evidence of indebtedness to substantiate any draw down of CDBG funds from the City.
 - III. Prior to any request for disbursement for authorized activities to be funded under the CDBG Grant, MCHA shall have in place all financing for the Apartments.
 - IV. MCHA agrees to comply with all other terms, conditions and obligations pertaining to the ownership, development, construction and management of the Project as required under any contractual documents executed between the City, DOLA, or the State of Colorado. MCHA shall be responsible for any and all liability accruing from inappropriate expenditure of Grant funds related to the Project.
 - V. In order to protect the interests of the State of Colorado, and the interests of the City as Grant recipient, MCHA agrees that as a condition precedent to receipt of the funds, a promissory note with recourse to a lien shall be executed, pursuant to which the City shall have a right of reimbursement of Grant funds in the event the use of said property as low-income housing is discontinued on or before five (5) years from the date of the State's official close-out of the Grant contract (the "Performance Date"). A copy of said promissory note is attached and incorporated as Exhibit "A." Any obligation of MCHA to repay any portion of the Grant, and all other obligations of MCHA under this Agreement, shall expire and terminate on the Performance Date.
 - VI. It is the intent of this Agreement to assure that all contractual obligations concerning the ownership, development, construction, and management of the Project shall be accomplished by MCHA, and that the role of the City in conjunction with said Project, shall be solely limited to preparing the application for the CDBG Grant funds, administering grant paperwork, and acting as a conduit for the authorized expenditure of such funds in accordance with the contractual documents.
 - VII. Time is of the essence with respect to the covenants, conditions, and obligations contained herein, as well as those set forth in the existing or to be written contracts pertaining to the CDBG Grant No. H5CDB32869 involving DOLA and the State of Colorado.
 - VIII. The terms of this Agreement shall be binding upon the representative Parties, their successors and assigns.

- IX. Defense and Indemnity: MCHA agrees, to the extent permitted by law, to indemnify and hold harmless the City, its officers, employees, insurers, and self-insurance pool, from and against all liability, claims, and demands, on account of injury, loss, or damage, including without limitation claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage, or any other loss of any kind whatsoever, which arise out of or are in any manner connected with this Agreement, if such injury, loss, or damage is caused in whole or in part by, or is claimed to be caused in whole or in part by, the act, omission, error, professional error, mistake, negligence, or other fault of MCHA, any subcontractor of MCHA, or any officer, employee, representative, or agent of MCHA or of any subcontractor of MCHA, or which arise out of any worker's compensation claim of any employee of MCHA, or of any employee of subcontractor of MCHA, including any related claim for attorney's fees. MCHA agrees to investigate, handle, respond to, and to provide defense for and defend against, any such liability, claims or demands at the sole expense of MCHA, or at the option of the City, agrees to pay the City or reimburse the City for the defense costs incurred by the City in connection with any such liability, claims, or demands. MCHA also agrees to bear all other costs and expenses related thereto, including court costs and attorney fees, whether or not any such liability, claims, or demands alleged are groundless, false, or fraudulent. Notwithstanding the above, the City does not intend to waive any rights it may have under the Colorado Governmental Immunity Act, C.R.S. §24-10-101 *et. seq.*
- X. 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 Agreement, including, without limitation, its validity, interpretation, construction, performance, and enforcement.
- XI. This Agreement is explicitly made contingent upon execution by all parties of the CDBG Grant contract between the City and DOLA (State of Colorado).

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year first above written.

CITY OF MONTROSE

MONTROSE COUNTY HOUSING AUTHORITY

J. David Reed, Mayor

Penelope Harris, Board Chair

ATTEST:

ATTEST:

Lisa DelPiccolo, City Clerk

PROMISSORY NOTE

On this _____ day of _____, 2024, in return for valuable consideration received, the undersigned MONTROSE COUNTY HOUSING AUTHORITY, a Colorado Nonprofit Corporation, with a principal address of 222 Hap Ct., Olathe, CO 81425, (“Promissor”) promises to pay to the CITY OF MONTROSE, a Colorado home rule municipal corporation, whose a principal address of 400 E. Main Street, P.O. Box 790, Montrose, Colorado 81402-0790, (“City”), such sums as set forth below, together with interest thereon at the rate of zero percent per annum.

1. Terms of Repayment:

- A. Intent of the Promissor and City: As a condition precedent to receipt of any funds from the City under CDBG Grant No. H5CDB32869 (the “Grant Agreement”), Promissor has agreed that should it become necessary for any reason to repay any or all of the CDBG grant funds, up to a maximum principal amount of TWO MILLION FOUR HUNDRED THOUSAND DOLLARS (\$2,400,000), plus penalties, interest and fees, if any assessed to the City, Promissor shall do so, and shall secure its contingent repayment obligation with this Promissory Note.
- B. Contingent Repayment: This Promissory Note shall not create any obligation for Promissor to make any payment unless Promissor breaches the Grant Agreement, or fails to comply with any applicable terms of CDBG Grant No. H5CDB32869, and any related or associated rule, contract, guideline or regulation, thereby triggering the City’s obligation to repay the Grant. Promissor shall then reimburse the City in an amount equal to that which the City has been obligated to pay, up to a maximum as set forth in Paragraph “1 A” above. Except as specifically provided in this Paragraph B, Promissor has no obligation to make payments on this Note.
 - i. Notice: No payment shall be due under this Promissory Note until the City has caused a Notice to be sent via Certified U.S. Mail, Return Receipt Requested, addressed to the Promissor at the address set forth above. Said Notice shall state the amount the City has been (or will be) obligated to repay under CDBG Grant No. H5CDB32869, and what the schedule of payments shall be, in the City’s sole discretion. Promissor may request, and the City shall send reasonable proof of the amount due.
- C. Schedule of Payments: Should it become necessary under Paragraph “1 B”, above, for Promissor to repay the City, said payment shall be made either:
 - i. In a single lump sum “on demand”, as set forth below; or
 - ii. In equal amounts at intervals of not less than once per month for a period not to exceed one 12-month period.

- 2. **Payable On Demand**: The entire unpaid principal (or any smaller amount owed to the City) shall become immediately due and payable on demand by the City.
- 3. **Late Fees**: In the event that a payment due under this Note is not made within ten days of the time set forth herein, the Promissor shall pay an additional late fee in the amount of one percent of said payment.
- 4. **Place of Payment**: All payments due under this note shall be made at 400 E. Main Street, P.O. Box 790, Montrose, Colorado 81402-0790, or at such other place as the holder of this Note may designate in writing.
- 5. **Prepayment**: This Note may be prepaid in whole or in part at any time without premium or penalty. All prepayments shall first be applied to interest, if any, and then to principal payments in the order of their maturity.
- 6. **Default**: In the event of default, the Promissor agrees to pay all costs and expenses incurred by the City, including all reasonable attorney fees (including both hourly and contingent attorney fees as permitted by law) for the collection of this Note upon default, and including reasonable collection charges (including, where consistent with industry practices, a collection charge set as a percentage of the outstanding balance of this Note) should collection be referred to a collection agency.
- 7. **Acceleration of Debt**: In the event that the Promissor fails to make any payment due under the terms of this Note, or breaches any condition relating to any security, security agreement, note, mortgage or lien granted as collateral security for this Note, seeks relief under the Bankruptcy Code, or suffers an involuntary petition in bankruptcy or receivership not vacated within 30 days, the entire balance of this Note, or any smaller amount owed to the City, and any interest accrued thereon

shall be immediately due and payable to the holder of this Note.

- 8. **Modification:** No modification or waiver of any of the terms of this Agreement shall be allowed unless by written agreement signed by both parties. No waiver of any breach or default hereunder shall be deemed a waiver of any subsequent breach or default of the same or similar nature.
- 9. **Transfer of the Note:** The Promissor hereby waives any notice of the transfer of this Note by the City or by any subsequent holder of this Note, agrees to remain bound by the terms of this Note subsequent to any transfer, and agrees that the terms of this Note may be fully enforced by any subsequent holder of this Note.
- 10. **Severability of Provisions:** In the event that any portion of this Note is deemed unenforceable, all other provisions of this Note shall remain in full force and effect.
- 11. **Choice of Law:** All terms and conditions of this Note shall be interpreted under the laws of the State of Colorado.
- 12. **Recourse to Lien:** Promissor hereby consents to a lien under § 5-15-17 (C) of the Official Code of the City of Montrose, should there be any breach of this Note by Promissor. Said lien shall be on all real and tangible personal property of the Promissor that is associated with this promissory note. The City shall follow the procedure set forth in § 5-15-17 (C) for creation and perfection of the City’s lien, as well as for seizure, levy, sale, and all other aspects of enforcement and collection as are necessary and proper in the City’s sole discretion. Unpaid amounts lawfully due under this Note shall be considered as “taxes” for the purpose of said lien, and Promissor shall be considered as the “taxpayer”. The City shall release this lien upon satisfaction or expiration of Primissor’s obligations under this Promissory Note and the Grant Agreement.

Signed Under Penalty of Perjury, this ____ day of _____, 2024.

PROMISSOR: Montrose County Housing Authority, a Colorado Nonprofit Corporation

Name, Title

ATTEST:

Name & Title:



CITY OF MONTROSE
CITY CLERK

MEMO

DATE: December 12, 2024
TO: City Council
FROM: Lisa DelPiccolo, City Clerk
RE: Designation of Official Posting Location

The Colorado Sunshine Law requires designation of an official posting location at the first regular meeting of each calendar year. As of July 1, 2019, local governments are required to designate their websites as official posting locations with secondary locations designated for exigent or emergency circumstances.

Since 2020, the City of Montrose has designated the website as the official posting location with the bulletin board at City Hall as a secondary location. Our ongoing practice is to post agendas for all public meetings on the Public Portal of the website and to post a physical copy of the agenda on the bulletin board at City Hall.





CITY OF MONTROSE
CITY CLERK

MEMO

DATE: December 12, 2024
TO: City Council
FROM: Lisa DelPiccolo, City Clerk
RE: 2025 City Council Meeting Schedule

Listed below are calendar items for discussion at the December 16 work session. It is important to note that any changes to the regular meeting schedule require City Council action. Work sessions can be scheduled as City Council desires.

Work Session Conflicts

For Monday holidays that conflict with City Council work sessions, protocol has been to schedule the work session at 10 a.m. on the Tuesday of the regular meeting. The holiday conflicts for 2025 work sessions are listed below:

- January 20 - Martin Luther King Jr. Day
- February 17 - Presidents' Day
- September 1 - Labor Day

If City Council would like to continue with the current protocol, these work sessions will be rescheduled for January 21, February 18, and September 2, respectively.

Regular Meeting Conflicts

There appear to be no regular meeting conflicts in 2025. The CML Annual Conference is scheduled for June 24-27 which falls outside of the regular meeting schedule.



City of Montrose - 2025 City Council Meeting Calendar

City Holiday
 City Council
 City Council Work Session
 CML Conference

JANUARY						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
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JULY						
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27	28	29	30	31		

FEBRUARY						
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AUGUST						
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31						

MARCH						
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30	31					

SEPTEMBER						
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APRIL						
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OCTOBER						
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NOVEMBER						
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JUNE						
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29	30					

DECEMBER						
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