MONTROSE CITY COUNCIL

December 17, 2024

A regular meeting of the Montrose City Council was held on Tuesday, December 17, 2024, at 6:00 p.m. in the City Council Chambers of the Elks Civic Building at 107 S. Cascade Avenue. Said meeting was posted in accordance with the Sunshine Law.

PRESENT

J. David Reed, Dave Frank, Judy Ann Files, Doug Glaspell, Ed Ulibarri, Bill Bell, Ann Morgenthaler, Chris Dowsey, Greg Story, William Woody, Lisa DelPiccolo, Josh Lamphere, Clint Swope, Matt Magliaro, Scott Murphy, Jace Hochwalt, Jim Scheid, Blaine Hall, Shani Wittenberg, Leeanne Whittaker, Courtney Jones, Tim Cox, Greg Stunder, David Bries, Tyler Good

GUESTS

Connor Reed, Desmond Otto, Hattie Maher, Kennedy Harris, Krew Tobler, Cordelia Bryan, Brett Lee, Ellen Curtis, Noa Brown, Kara-leigh Nielsen, Sara Romer, Trudy Berg Hauser, Ami Schmitz, Dominick LaJoy, Howie Walser, Adam Stapen, Alina Brusilovsky, Caitlyn Switzer, Jolene Wurst, Karen Funke, Dave Bowman, Sarah Curtis, Bethany Maher, David Fishering, Liz Schmidt, Jett Balet, Chris Trujillo, Michael Badagliacco, Jenn Cross, Debby Morris, Lance Bonnell, Elisardo Gonzalez, Jean Munro, Amy Nielsen, Ben Nielsen, Kristal Stidham, Tim Clifford, Brett Lee, Jeff Lee, Nancy Gallegos, Jeremy Master, Martin Landers, Gerald Dahl

CALL TO ORDER

Mayor J. David Reed 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 Dave Frank reported that agenda item 14, Conservation Easement Acquisition within Colorado Outdoors, would be moved to follow item 9, New Liquor Licensed Drug Store Application.

YOU MAKE A DIFFERENCE AWARD PRESENTATION

Mayor J. David Reed presented a You Make a Difference award to Jolene Wurst, a Friends of the Library volunteer.

RECOGNITION OF CENTENNIAL MIDDLE SCHOOL STUDENTS

Deputy City Manager Ann Morgenthaler recognized Centennial Middle School students for submitting the 10 best essays following presentations to classes by City staff members. Certificates were presented to Connor Reed, Desmond Otto, Hattie Maher, Kennedy Harris, Krew Tobler, Cordelia Bryan, Brett Lee, Ellen Curtis, Noa Brown, Kara-leigh Nielsen and teachers Sara Romer, Trudy Berghauser, and Ami Schmitz.

CALL FOR PUBLIC COMMENT

Michael Badagliacco and Cindi Olinghouse spoke in favor of a non-sanctuary city declaration by City Council.

Debby Morris and Lance Bonnell spoke regarding traffic and pedestrian safety concerns at S. Second Street and Park Avenue.

APPROVAL OF MINUTES

City Council considered the minutes of the December 3, 2024, regular City Council meeting.

A motion was made by Dave Frank, seconded by Judy Ann Files, to approve the minutes of the December 3, 2024, regular City Council meeting as presented. All voted yes. Motion passed.

PLANNING COMMISSION APPOINTMENTS

City Council considered the reappointment of Ronald Cairns, Phoebe Benziger and Steven Ball to the City of Montrose Planning Commission for terms that expire on December 31, 2028.

A motion was made by Dave Frank, seconded by Judy Ann Files, to reappoint Ronald Cairns, Phoebe Benziger and Steven Ball to the City of Montrose Planning Commission for terms that expire on December 31, 2028. All voted yes. Motion passed.

NEW LIQUOR LICENSED DRUG STORE APPLICATION

City Council considered an application for a new Liquor Licensed Drug Store license at 16400 S. Townsend Avenue for Dillon Companies LLC, doing business as City Market #40, for consumption off of the licensed premises.

City Attorney Chris Dowsey reported that a hearing was held on this application at the December 3 regular meeting, and City Council opted to defer a decision. Mr. Dowsey stated that the hearing is closed and no further comment will be accepted.

Mr. Dowsey provided an overview of the requirements for the Liquor Licensed Drug Store (LLDS) license type that would allow for the sale of beer, wine and spirits. The license requires that the applicant transfer two Retail Liquor Store licenses that were in place on or before May 1, 2016, and those are identified in the application as Corks Fine Wines and Spirits and Drive In Liquor. The new license must be at least 1,500 feet from any other LLDS or retail liquor store. Mr. Dowsey stated that the license for Corks is technically still valid, but if the LLDS is approved, the issue is resolved. Mr. Dowsey stated that the requirement of 20 percent of gross income from the sale of food is also documented in the application. An entity is currently allowed eight LLDS licenses, and this would be the eighth for Dillon Companies LLC.

Mr. Dowsey reported that technical difficulties were experienced with the December 3 meeting recording resulting in a gap during testimony in the hearing. Mr. Dowsey read the portion of the meeting minutes covering the gap, summarized from notes taken by the city clerk, into the record.

Attorney Adam Stapen introduced himself as a representative of the applicants. Mr. Stapen stated that he had no objection to the summary of the testimony in the minutes and said the meeting minutes adequately summarize what was said during the gap in the recording.

Mr. Dowsey advised City Council that the decision must be based on evidence presented at the hearing and nothing else. According to state statute, City Council must consider the reasonable requirements of the neighborhood and the desires of the adult inhabitants. Additionally, the applicant must be of good moral character. Mr. Dowsey requested that any motion made include direction to the City Attorney to draft written findings for the decision that will be reviewed and signed by the mayor.

Mayor J. David Reed stated that City Councilors have not discussed this decision prior to this public deliberation. Mayor Reed reviewed the testimony presented by the applicant and opponents during the hearing and asked Councilors to state their opinions. Councilor Dave Frank stated that the application complies with statutes and he cannot find reason for denial. Councilor Ed Ulibarri stated that he has concerns with public health and safety, specifically sales to minors. Councilor Judy Ann Files stated she is not in favor of the application because the Montrose community previously voted against wine in grocery stores. City Councilors discussed the statements made.

A motion was made by Dave Frank, seconded by J. David Reed, to approve a new Liquor Licensed Drug Store license at 16400 S. Townsend Avenue for Dillon Companies LLC, doing business as City Market #40, for consumption off of the licensed premises and to have the City Attorney draft written findings to be reviewed and signed by the mayor. Judy Ann Files, Doug Glaspell, and Ed Ulibarri voted no. J. David Reed and Dave Frank voted yes. Motion failed.

CONSERVATION EASEMENT ACQUISITION WITHIN COLORADO OUTDOORS

City Council considered the approval of $150,000.00 in expenditures for the purchase of a conservation easement within Colorado Outdoors to preserve the Morada site.

City Manager Bill Bell reported that for many years, the City has been working with the residents of the neighborhood near La Raza Park and Colorado Outdoors to preserve the location as a heritage site. Mr. Bell said that City staff members have recently been working with the owners of the property to preserve the site perpetually, and this is one of the final steps to making that a reality. Mr. Bell stated that the $150,000.00 is to purchase the easement, and the 2025 budget includes improvements to the site.

Public comment was accepted.

Bethany Maher spoke in support of the expenditure for the Morada site easement and thanked everyone involved with moving this project forward.

Chris Trujillo spoke in support of the expenditure for the Morada site easement and reviewed the history of the Moradas and the Morada site in Montrose.

A motion was made by Dave Frank, seconded by Ed Ulibarri, to approve $150,000.00 in expenditures for the purchase of a conservation easement within Colorado Outdoors to preserve the Morada site as presented. All voted yes. Motion passed.

ORDINANCE 2677 – SECOND READING

City Council considered Ordinance 2677 on second reading, an Ordinance repealing and reenacting Chapters 4, 5, 7, 8, 10, 11, 13, and 15 of Title 11 of the Montrose Official Code and making conforming amendments to Chapters 3, 6, 12 and 14 in connection therewith.

Community Development Director Jace Hochwalt provided an overview of the process to update the City's land use code and reported that consultants Martin Landers and Gerald Dahl were present virtually. Mr. Hochwalt reviewed the public engagement process and stated that the feedback received was generally positive with some concerns with allowing duplexes in the R-2 zoning district. Mr. Hochwalt said links to redline and final versions of the updated land use code are available in the meeting packet.

City Council thanked the consultants and staff members who worked on the project.

City Councilor Ed Ulibarri stated that he could not support these land use code updates due to concerns about allowable height and the allowance of duplexes in the R-2 zoning district.

Public comment was accepted. No comments were received.

A motion was made by Doug Glaspell, seconded by Judy Ann Files, to adopt Ordinance 2677 on second reading as presented. Ed Ulibarri voted no. All others voted yes. Motion passed.

ORDINANCE 2678 – SECOND READING

City Council considered Ordinance 2678 on second reading, an Ordinance of the City of Montrose, Colorado, amending Ordinance No. 2645 which appropriated funds for defraying the expenses and liabilities of the City of Montrose, Colorado, during the fiscal year beginning January 1, 2024; said expenditures of the City of Montrose over and above those anticipated at the time of adoption of the original budget for the fiscal year beginning January 1, 2024. A hearing was held.

Finance Director Shani Wittenberg reported that there are no changes to Ordinance 2678 since it was passed on first reading at the last meeting. Ms. Wittenberg stated that the Ordinance addresses expenditures that were not anticipated when the 2024 budget was set, but all were brought before City Council for approval during the year.

Public comment was accepted. No comments were received.

A motion was made by Dave Frank, seconded by Doug Glaspell, to adopt Ordinance 2678 on second reading 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.

Community Development Director Jace Hochwalt reported no changes to the agreement since it was reviewed in detail at a previous work session. Mr. Hochwalt stated that the IGA is reviewed annually by both parties and a redline version of the proposed changes is included in the meeting packet.

Mr. Hochwalt provided an overview of the proposed amendments and stated that MRD Deputy Director Jeremy Master was present to answer questions. The agreement was approved and signed by the MRD Board of Directors on December 12.

Public Comment was accepted. No comments were received.

A motion was made by Doug Glaspell, seconded by Ed Ulibarri, to approve an Intergovernmental Agreement with Montrose Recreation District for Shared Services as presented. All voted yes. Motion passed.

RESOLUTION 2024-22

City Council considered Resolution 2024-22, a Resolution of the City of Montrose, Colorado, declaring its official intent to reimburse itself with the proceeds of a tax-exempt lease-purchase financing for certain capital expenditures undertaken or to be undertaken by the City; generally identifying the capital expenditures; and providing certain other matters in connection therewith.

Public Works Director Jim Scheid reported that Resolution 2024-22 is related to funding for the new public works facility project. The Resolution allows the COP borrowing for the project to reimburse the City's General Fund. Mr. Scheid stated that this allows for the project to begin sooner with funding by the City that will be reimbursed. Mr. Scheid said that beginning the project sooner and strategically sequencing the steps involved will result in cost savings.

Public comment was accepted. No comments were received.

A motion was made by Dave Frank, seconded by Judy Ann Files, to adopt Resolution 2024-22 as presented. All voted yes. Motion passed.

MEMORANDUM OF UNDERSTANDING AND PROMISSORY NOTE UPDATE

City Council considered an update to the MOU and Promissory Note for Sunshine Peak Apartments and Montrose County Housing Authority.

Community Director Jace Hochwalt reported that this request is for a revision to an MOU and Promissory note signed on April 24, 2024. Mr. Hochwalt said the City received CDBG funding of $2.4 million for the acquisition of Sunshine Peak Apartments by the Montrose County Housing authority to preserve affordable housing. Mr. Hochwalt said the City acts as a pass-through for the grant and the property closing will happen at the end of next week. Mr. Hochwalt stated that the revised document corrects an error in the naming convention for MCHA from the public entity to the associated nonprofit corporation. There is no financial obligation on the part of the City.

Public comment was accepted. No comments were received.

A motion was made by Doug Glaspell, seconded by Ed Ulibarri, to approve the update to the MOU and Promissory Note for Sunshine Peak Apartments and Montrose County Housing Authority as presented. All voted yes. Motion passed.

POLICE DEPARTMENT SERVER REPLACEMENT

City Council considered the authorization of $295,198.21 for the replacement and upgrade of the Montrose Police Department's existing Motorola Flex server hardware and software. This upgrade includes the addition of a Disaster Recovery (DR) server, which will be located at the WestCO Dispatch Center.

Police Chief Blaine Hall requested funding for the replacement of an aging server with a new server that has an added disaster recovery component. Chief Hall reported that the new server will be used by the Montrose Police Department, WestCo Dispatch, Montrose County Sheriff's Office, and other regional agencies.

Public comment was accepted. No comments were received.

A motion was made by Doug Glaspell, seconded by Ed Ulibarri, to authorize $295,198.21 for the replacement and upgrade of the Montrose Police Department's existing Motorola Flex server hardware and software. All voted yes. Motion passed.

LEASE RENEWAL WITH CIMARRON CANAL AND RESERVOIR COMPANY

City Council considered the renewal of a lease agreement with Cimarron Canal and Reservoir Company for a period of 10 years, expiring on January 1, 2034, with the option for both parties to renew the lease for two additional 10-year periods.

City Attorney Chris Dowsey reported that on January 1, 1994, the City entered into a 30-year lease with the Cimarron Canal and Reservoir Company for 3.1 acres owned by the City near Cerro Summit. Mr. Dowsey said that the lease was not renewed in 2024 and is backdated to avoid a gap in the lease.

Public comment was accepted. No comments were received.

A motion was made by Judy Ann Files, seconded by Doug Glaspell, to approve the renewal of the lease agreement with Cimarron Canal and Reservoir Company as presented. All voted yes. Motion passed.

SAN-MIAMI SEWER IMPROVEMENTS CONSTRUCTION CONTRACT

City Council considered a contract award to Haynes Excavation in the amount of $86,877.22 for construction of the San-Miami Sewer Improvement Project

City Engineer Scott Murphy provided an overview of the sewer line improvement project where San Juan Avenue turns into Miami Road. Mr. Murphy said the existing sewer line is not easily accessible and is undersized for peak flow and storm flow. Initially the project was designed for the sewer line to be placed in the roadway. Three bids were received and were considered excessive for the scale of the project. The project was redesigned with two bids received through the revised bid process. Mr. Murphy recommended approval of a contract with Haynes Excavation. Mr. Murphy stated that the work will take place outside of the right of way and will be completed in the first quarter of 2025.

Public comment was accepted. No comments were received.

A motion was made by Judy Ann Files, seconded by Doug Glaspell, to award a contract to Haynes Excavation in the amount of $86,877.22 for construction of the San-Miami Sewer Improvement Project as presented. All voted yes. Motion passed.

6600 ROAD SIDEWALK EXTENSION PROFESSIONAL SERVICES CONTRACT

City Council considered a professional services contract award to Del-Mont Consultants in the amount of $47,200.00 for completion of survey and civil design associated with the 6600 Road Sidewalk Extension Project.

City Engineer Scott Murphy reported that the City was recently awarded a $2 million grant through the DOLA Energy and Mineral Impact Assistance Fund More Housing Now Initiative to support infrastructure for affordable housing. Mr. Murphy said this project will install sidewalks between housing projects on 6600 Road north of Main Street connecting Locust Road to Main Street, while passing the Boys and Girls Club and the Bright Beginnings/Maslow facility. Mr. Murphy said that a total of $700,000.00 will be allocated to this sidewalk project.

Public comment was accepted. No comments were received.

A motion was made by Dave Frank, seconded by Doug Glaspell, to award a professional services contract to Del-Mont Consultants in the amount of $47,200.00 for completion of survey and civil design associated with the 6600 Road Sidewalk Extension Project as presented. All voted yes. Motion passed.

STAFF REPORTS

Sales, Use, and Excise Tax Report

Sales Tax Manager Leeanne Whittaker provided a sales, use, and excise tax report for the month of October 2024. Ms. Whittaker reported that total sales and use tax collections were up 3.8

percent as compared to October of 2023 with a positive budget variance of 6.9 percent. Year-to-date collections were up 3.6 percent with a positive budget variance of 5.9 percent.

YOUTH CITY COUNCIL COMMENTS

No Youth City Council comments were provided.

CITY COUNCIL COMMENTS

Mayor J. David Reed wished the community and City staff members happy holidays.

ADJOURNMENT

At 7:55 p.m. the meeting adjourned with no further action taken.

ATTEST:

J. David Reed, Mayor

Lisa DelPiccolo, City Clerk

CITY OF MONTROSE
CITY SEAL
COLORADO