



CITY COUNCIL WORK SESSION
Monday, November 17, 2025 - 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

Dave Swokowski, Irrigation Supervisor
Eric Gerstenberger, Police Officer
Maurice Archuleta, Streets Division Worker
Chris Foti, Special Use Crew Member
Adrian Guerra, Engineering Tech
Courtney Edenbo, PT Animal Shelter Tech
Jon Waschbusch, Parks & Special Projects Superintendent
Sam Michael, Utilities Worker

2) DISCUSSION ITEMS

- A) Colorado Flights Alliance Update (20 minutes)
Colorado Flights Alliance CEO Matt Skinner
- B) Intergovernmental Agreement with Montrose Recreation District (10 minutes)
Staff: Deputy City Manager Ann Morgenthaler
- C) CDBG Grant Modification Request for Haven House (10 minutes)
Staff: Deputy City Manager Ann Morgenthaler
- D) Mail Ballot Election Plan for 2026 Municipal Election (15 minutes)
Staff: City Clerk Lisa DelPiccolo and Senior Deputy City Clerk Briceida Ortega



- E) 2024 Audit Presentation (20 minutes)
Staff: Finance Director Shani Wittenberg
- F) 2025 Supplemental Budget Ordinance (10 minutes)
Staff: Finance Director Shani Wittenberg

3) **GENERAL CITY COUNCIL DISCUSSION**

4) **STAFF COMMENTS**



CITY OF MONTROSE
Community Development

MEMO

TO: City Council
FROM: Ann Morgenthaler, Deputy City Manager
DATE: November 17, 2025
RE: Intergovernmental Agreement with Montrose Recreation District

ATTACHMENTS

- Exhibit A: 2026 IGA with revisions shown
- Exhibit B: Proposed 2026 IGA (clean)

City Council Consideration:

City Council is considering approval of an intergovernmental agreement with the Montrose Recreation District for the 2026 calendar year.

Project Background:

Each year City of Montrose staff and the Montrose Recreation District staff review the Intergovernmental Agreement between the City of Montrose and the Montrose Recreation District Regarding Shared Services. City and District staff discuss any needed changes to meet the needs of both organizations and the public. The goal of the agreement is collaboration that will save each entity – and therefore our community members – money, and to increase efficiency and partnership. The agreement comes before the City Council and the Recreation District Board annually for approval. Recreation District staff have reviewed this agreement, and it will go to the Montrose Recreation District Board on November 20, 2025. A redlined document showing changes between the 2025 version and the proposed 2026 version is attached.

Neither entity is proposing significant changes for 2026, but some notable changes include the following:

- Dates are updated to reflect the new year of the agreement.
- Placer AI, an analytics service used to track park and event usage, was removed from the contract. After limited use in 2024 and 2025, both the City and the MRD determined that the return on investment did not justify continuing the service. This has also been removed from the Payment Schedule and Schedule of Costs in Exhibit A.
- Cybersecurity Training (KnowBe4) was added as a service for MRD staff to strengthen awareness and vigilance against potential cyber threats. This ongoing training helps

employees recognize and respond appropriately to phishing attempts, data security risks, and other common cyber vulnerabilities. This has also been added to the Payment Schedule and Schedule of Costs in Exhibit A.

- Schedule A has been updated to reflect applicable fee adjustments. Hourly rates for financial reporting, legal services, and information services were revised to align with current costs, resulting in slight increases to most rates and slight decreases to a few others. Monthly Trash and Recycle Service fees increased from \$12,921.79 to \$15,506.21. Phone charges were consolidated, removing long-distance fees; however, the phone system rate increased from \$4.00 per user per month to \$14.16 per user per month. No changes were made to the Facility Services Cost Schedule or the Fleet Management Cost Schedule.
- The document was reformatted slightly to improve compliance with digital accessibility standards.

Recommendation:

City staff recommends approval of an intergovernmental agreement with the Montrose Recreation District for the 2026 calendar year.

**INTERGOVERNMENTAL AGREEMENT
BETWEEN THE CITY OF MONTROSE AND THE
MONTROSE RECREATION DISTRICT
REGARDING SHARED SERVICES**

THIS INTERGOVERNMENTAL AGREEMENT (this “Agreement”) is dated _____, 202~~5~~⁴, between the City of Montrose, (the “City”) a Colorado home rule municipal corporation, whose address is 400 E. Main Street, P.O. Box 790, Montrose Colorado 81402, and the Montrose Recreation District, (the “District”) a Colorado special district, whose address is 16350 Woodgate Road, Montrose, Colorado 81401; the above-named entities may sometimes be collectively referred to herein as the “Parties” and individually as a “Party.” The effective date of this Agreement shall be January 1, 202~~6~~⁵ (the “Effective Date”).

WHEREAS, the City, and the District have collaborated in the past to provide a variety of recreational needs serving a diverse population; and

WHEREAS, it is the directive of the governing bodies of the Parties to provide the best services at the lowest possible cost; and

WHEREAS, the Parties shall implement shared services as specified in this Agreement whereby City agencies shall support the District in exchange for payment; and

NOW THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth, the Parties hereto agree as follows:

PART I: SPECIFIC TERMS.

1. FINANCE

- a) On a monthly basis, the City’s finance department will import the transactional data provided from the District staff. Monthly budget reports will be provided by the City to the District so that the District has up-to-date knowledge of the state of its finances. The District will handle revenue receipts, provide accounts payable and payroll services in-house. The District shall provide cash receipt, accounts payable and payroll summary data to the City in a format approved by the City on a monthly basis. The District shall bear all expense related to District finances and accounting. A detailed description of the processes for all finance functions is set forth on Exhibit “C”, which is attached hereto and incorporated herein.
- b) As defined on Exhibit “C”, the District shall continue to provide day-to-day accounting and timekeeping functions, including point of sale and deposits, in-house (the “Daily Functions”). The District shall provide reports of the Daily Functions to the City in such a format that allows the City to import journal entry data into the City’s financial software.
- c) The District will utilize the services as written in sections a and b above until such time as they are able to transition to provide them autonomously. This is planned for completion

in early 2026~~5~~. The City will bill for financial services rendered until the district is complete with this transition.

- d) The City shall provide administration service to the District for the Recreation Facility Election Intergovernmental Agreement. The agreement specifies the transfer and use of the voter approved sales tax proceeds generated from a 0.3% sales tax increase approved by voters on April 1, 2014. The District shall credit the City as specified in this Part I (7) (E).

2. LEGAL

- a) The City Attorney represents the City. The City Attorney may provide general legal services to the District as time and the specific need arises. The Council or the City Attorney may determine on a case-by-case basis that the District shall obtain separate legal advice and/or representation.
- b) The Parties shall execute a letter of engagement setting forth the scope of the representation prior to the rendering of legal services under this Agreement. No attorney/client relationship shall be formed until such letter of engagement has been executed.
- c) The District shall bear all expense related to the provision of general legal services by the City Attorney for the benefit of the District.
- d) The City Council may terminate the provision of the City Attorney's services to the District at any time.
- e) Nothing in this provision interferes with the District's right to hire counsel of their own choosing.

3. FACILITY SERVICES

- a) The City shall provide sweeping services for District parking lot areas as depicted in Exhibit "A" and at the Community Recreation Center, following prioritized maintenance schedules identified in the City Sweeping Plan. All sweeping shall be requested by the District and scheduled with the City. Advanced notice of two weeks shall be required by the City. The City may provide general support to the District as needed on projects in which the City has specialized equipment. Equipment and labor rates are provided in Schedule "A".
- b) The City's personnel policies and insurance coverage shall apply to any City employees working on District property and the District shall not be responsible for any human resource issue or insurance coverage issue pertaining to these City employees.
- c) The City shall provide crack sealing, asphalt patching services or a combination of these services at any agreed upon District facility, following prioritized street maintenance scheduling. The estimated value of this work shall be \$4,000 as calculated using the rates in Schedule A. The District Maintenance Superintendent shall contact the City Public Works Director to request and schedule such work, with the understanding that two weeks advanced notice is essential for the City to provide services in a timely and resource-

efficient manner. Additional work may be scheduled with the City and invoiced to the District according to the rates in Schedule A.

- d) MRD's personnel policies and insurance coverage shall apply to any MRD employees working on City property and the City shall not be responsible for any human resource issue or insurance coverage issue pertaining to these MRD employees.
- e) The District shall bear all expense related to the provision of facilities services by the City for the benefit of the District.
- f) The City shall bear all expense related to the provision of facilities services by MRD for the benefit of the City.

4. CERISE & AMPHITHEATER FIELDS, TRAILS, PUBLIC SPACES AND FLEX PARK

a) DESCRIPTION

- i) For the purposes of this Agreement, Cerise Fields shall mean a ten (10) acre, multi-purpose area and a two (2) acre soccer field and related facilities on site, including irrigation systems, storage building and natural surface trails, as depicted in Exhibit "A".
- ii) For purposes of this Agreement, Amphitheater Field shall mean the 1.5 acre field located in front of the Montrose Rotary Amphitheater, as depicted in Exhibit "A".
- iii) For the purposes of this Agreement, Trails and Public Spaces shall mean other spaces open to the public for non-exclusive use within the Baldrige Regional Park Complex.
- iv) For the purposes of this Agreement, Flex Park shall mean the 0.56-acre lot situated adjacent to the west of the Flex Rec facility at 1309 Mayfly Drive occupied by MRD, as depicted in Exhibit "A".

b) ACCESS

- i) The City shall grant public access to the Cerise Fields for as long as the City, or its assigns, leases or owns the land encompassing Cerise Fields.
- ii) The City hereby grants to the District the right to use the Cerise Fields in accordance with the terms of this Agreement. This right to use is for the purpose of allowing the District, its agents and contractors, access to Cerise Fields for the purpose of conducting the day-to-day programs and activities of the District.
- iii) During the term of this Agreement, a Master Scheduling for the use of the Cerise Fields shall be created annually, not later than January 31 of each year. Master scheduling will include key District and City personnel. Both parties will present a calendar of events, collaborating to populate a shared calendar of events that includes community-wide events, Cerise Park programming, and large events (100+ people) at the Montrose Rotary Amphitheater or at the Ute, McNeil, or Holly Park set of fields. Once this Master Schedule has been created, either party may add events into the schedule with 60 days' notice with no required notification of the other party. Within 60 days, modifications or additions of large events (100+ people) to the

schedule require notification of the other party prior to finalization. Primary contacts for scheduling are identified as the City Clerk, Lisa DelPiccolo and the District's Facilities Manager, Justin Mashburn.

- iv) The District shall provide a layout of the proposed field locations for each sports season as part of the Master Schedule. Except as otherwise provided herein, the District shall have priority in scheduling events in the Master Schedule for Cerise Fields. The City shall have priority in scheduling events thereafter, with the District having secondary scheduling priority after both the City and the District have scheduled their initial events. City Park Use Fees will be exempted for all District activities scheduled. Notwithstanding the foregoing, the following holiday weekends shall be scheduled by the City for special community events: Memorial Day, Independence Day, and Labor Day. Additionally, it is recognized that the second weekend in August shall also be scheduled by the City for the annual Fun on the Uncompahgre River Festival (FUNC Fest) at Riverbottom Park and the Montrose Rotary Amphitheater, the second Saturday in May shall be scheduled by the City for the annual Montrose Mudder at Cerise Fields and Trails and the Montrose Rotary Amphitheater, and the third weekend in August shall be scheduled by the District for the annual Youth Appreciation Day (YAD).

c) MAINTENANCE

- i) The District shall maintain the Cerise Fields (said maintenance to include all turf maintenance and ancillary equipment required for District programs) during the growing season, and during any times that the District is sponsoring programs at the Cerise Fields.
- ii) The City shall be responsible for all restroom cleaning. The City shall refer to the shared calendar of events in order to ensure that cleaning takes place prior to and after events. The District shall notify the City in advance of upcoming large events that may warrant additional services such as cleaning during an event. The restroom at Cerise Fields will be closed and winterized no earlier than October 15 each year and reopened for use no later than April 15 each year to protect it from freezing.
- iii) The District shall be responsible for arranging for temporary toilet facilities if needed during periods when the restroom is closed. Notwithstanding the foregoing, the City shall be responsible for communicating to the District and supplying temporary toilet facilities if restrooms are closed for any reason later than April 15 or prior to October 15.
- iv) The District shall be responsible for any "start-up", winterization and draining of the irrigation system serving the Cerise Fields.
- v) The District shall provide mowing and trimming services, including labor and equipment, for the Amphitheater Field, following prioritized park maintenance and scheduling. The District shall provide mowing and trimming one (1) day per week during the growing season; the growing season begins on March 1 and concludes on October 31. The estimated value of this work is \$4,000. Additional work may be scheduled with the District and invoiced to the City at a rate of \$42.67 per hour, including labor and equipment.

- vi) The City shall maintain Cerise and Amphitheater Fields after the District has ceased using the Cerise Fields for programs, and during the non-growing season; the non-growing season begins on November 1 of each year and concludes on the last day of February of each following year.
- vii) Maintenance shall be performed in accordance with the specifications set forth in Exhibit “B”. Maintenance shall be done in accordance with National Recreation and Park Association standards.
- viii) The District shall be responsible for maintenance of the Flex Park, including but not limited to, providing turf and ground cover maintenance, inclusive of mowing and trimming services (including associated labor and equipment). The District shall also be responsible for irrigation repairs and maintenance, including any “start-up”, winterization and draining of the irrigation system serving the Flex Park. The City will maintain the restroom facility adjacent to the south and will also provide trash service for the Flex Park. It is understood that the District’s maintenance of Flex Park is contingent on its occupancy of [property-Flex Rec](#) at Colorado Outdoors.

d) USE OF THE CERISE FIELDS

- i) Use of the multi-purpose field shall be limited to sporting practices, games, and Amphitheater events; all goals and other equipment shall be portable, and shall be supplied either by the user, or by the District and shall be removed after each sports season. Temporary painted stripes may be placed on the multi-purpose field. The District shall be responsible for removing portable equipment at the City’s request for other scheduled activities. All portable equipment shall be securely attached to the ground for the purpose of assuring public safety. The District shall assure at all times a minimum of two (2) acres of the multi-purpose field shall be available to the public for use and not scheduled for practice or game use.
- ii) Games and international soccer league activities shall be limited to the two-acre field and the 10-acre field, as depicted on Exhibit “A”.

5. INFORMATION SERVICES

- a) The City Information Services Department shall provide technical support to the District staff and board to assure the smooth operation of the District information services systems in accordance with the standards set forth in Exhibit “D” which is attached hereto and incorporated herein.
- b) District shall ensure City staff are provided with orientation and training by the audiovisual equipment installers or manufacturers for routine support and maintenance of all installed products. District shall provide a copy of operations and maintenance manuals and as-built diagram for all District audiovisual equipment which the City will be maintaining.
- c) District shall include City staff in future planning and upgrades of audiovisual equipment prior to ordering and installation.

- d) ~~The District shall bear all expense related to District information services systems, with the exception of location analytics software, Placer.ai. The District agrees to pay the City 36% of the annual cost of Placer.ai, which can be utilized by both City staff and District staff. This annual payment is to be paid on May 29th of each year unless the City and the District mutually agree to terminate the software contract prior to the annual renewal date.~~

6. FLEET MANAGEMENT

- a) The City Fleet Department shall provide fleet management support for District owned vehicles. The City shall be responsible for fleet management in accordance with the standards set forth in Exhibit “E”, which is attached hereto and incorporated herein.
- b) The District shall bear all expense related to maintaining the District fleet.

7. FACILITY ACCESS FOR EMPLOYEES

- a) City Employee and Council Access to the Community Recreation Center. The District shall waive the Tier 3 Corporate Membership fee for the City. The District shall offer the Participant Membership Fees (equivalent to a 25% discount) to City employees and Council for the family and adult annual pass at the effective rate at time of purchase. The District shall share such rates for the upcoming calendar year with the City by November 1. This discount does not apply to youth, senior or any other pass products.
- b) The City shall notify the District when employees are terminated and/or when new hires are made on a monthly basis. MRD will remove annual pass privileges for terminated City employees at the end of the current month. New employee annual pass privileges will be effective immediately. Balances for terminated and/or new employees shall be mutually resolved at the end of the current calendar year.
- c) District Employee and Board Access to the Black Canyon Golf Course. The City shall offer a 100% discount to Full Time District employees and active Board of Directors members on the regularly priced Black Canyon Card, which is a value of \$50, providing access to discounted golf, merchandise, and food.
- d) The City shall provide trash and recycling services to the District for the Field House, Community Recreation Center, Holly Park, and McNeil Fields (an annual value of \$12,921.79 value as noted in Schedule A). The District shall provide the City with credit, (equivalent to an annual value of \$12,921.79 value) which will be used towards the annual pass payment for City Employees and Council.
- e) The City shall provide administration of sales tax revenues from the City to the District at no cost (an annual value of \$3,000). The District shall provide the City with credit, (equivalent to an annual value of \$3,000) which will be used towards the annual pass payment for City Employees and Council.

PART II: TERM. The initial term of this Agreement shall commence on the Effective Date and shall continue in effect through December 31, 202~~6~~⁵ unless otherwise terminated in accordance with the provisions of Part XIII of this Agreement.

PART III: PAYMENT. The District shall provide a payment in cash or its equivalent as set forth in Schedule A. In the event that the actual labor hours for a specific task indicated in Schedule A differ from those shown, the actual hours at the associated rate indicated on Schedule A will be paid by the District to the City.

PART IV: COMMUNICATIONS. The Parties shall designate authorized representatives and all communications related to the performance of duties defined in this Agreement shall be conducted solely between the representatives so designated. Additionally, the key City staff involved in providing the shared services described in this Agreement shall report as needed to the District's Board of Directors.

PART V: ASSIGNMENTS.

- a) *No Assignments.* Neither Party may assign any of its rights, duties or obligations arising under this Agreement without the prior written consent of the other Party.
- b) *Ramifications of Purported Assignment.* Any purported assignment of the rights, duties or obligations of either Party without the express written consent of the other Party shall be void.

PART VI: CHOICE OF 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 Agreement, including, without limitation, its interpretation, construction, performance and enforcement.

PART VII: INDEMNIFICATION (DISTRICT TO CITY). The District, to extent allowed under Colorado Constitution Article X, Section 20, and any other law, shall indemnify and defend the City at all times as of the Effective Date of this Agreement against:

- a) any liability, loss, damages (including punitive damages), claim, settlement payment, cost and expense, interest, award, judgment, diminution in value, fine, fee, and penalty or other charge, other than any Litigation Expenses (as defined in subsection (b)), arising out of or relating to the activities of the District set forth herein; and
- b) any court filing fee, court cost, arbitration fee or cost, witness fee, and each other fee and cost of investigating and defending or asserting any claim for indemnification under this Agreement, including, without limitation, in each case, attorneys' fees, other professionals' fees, and disbursements (collectively, "Litigation Expenses").

PART VIII: INDEMNIFICATION (CITY TO DISTRICT). The City, to the extent allowed under Colorado Constitution Article X, Section 20, and any other law, shall indemnify and defend the District at all times as of the Effective Date of this Agreement against:

- a) any liability, loss, damages (including punitive damages), claim, settlement payment, cost and expense, interest, award, judgment, diminution in value, fine, fee, and penalty or other charge, other than any Litigation Expenses (as defined in subsection (b)), arising out of or relating to the activities of the City set forth herein; and

- b) any court filing fee, court cost, arbitration fee or cost, witness fee, and each other fee and cost of investigating and defending or asserting any claim for indemnification under this Agreement, including, without limitation, in each case, attorneys' fees, other professionals' fees, and disbursements (collectively, "Litigation Expenses").

PART IX: NOTICES.

- 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 Agreement shall give the Notice in writing and use one of the following methods of delivery, each of which for purposes of this Agreement 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 Agreement 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 Agreement, 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.

PART X: AMENDMENTS. The Parties may amend this Agreement only by a written agreement of the Parties that identifies itself as an amendment to this Agreement.

PART XI: MERGER. This Agreement constitutes the final agreement between the Parties. It is the complete and exclusive expression of the Parties' agreement on the matters contained in this Agreement. All prior and contemporaneous negotiations and agreements between the Parties on the matters contained in this Agreement, including but not limited to the Intergovernmental Agreement between the Parties in previous years, are expressly merged into and superseded by this Agreement. The provisions of this Agreement may not be explained, supplemented or qualified through evidence of trade usage or a prior course of dealings. In entering into this Agreement, neither Party has relied upon any statement, representation, warranty or agreement of the other Party except for those expressly contained in this Agreement. There are no conditions precedent to the effectiveness of this Agreement other than those expressly stated in this Agreement.

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

PART XIII: FUTURE AGREEMENT. If District wishes to enter into a contract for 202~~7~~⁶ with City, District must notify City no later than October 15, 202~~6~~⁵.

PART XIV: ESCALATOR. All costs set forth in Schedule A shall be subject to escalation or de-escalation based on actual increases or decreases in costs incurred by the City. Written

documentation of said increases shall be provided by the City to the District as these increases occur.

APPROVED this _____ day of _____, 202~~5~~⁵.

CITY OF MONTROSE

ATTEST:

~~David Frank~~~~Barbara Bynum~~, Mayor

Lisa DelPiccolo, City Clerk

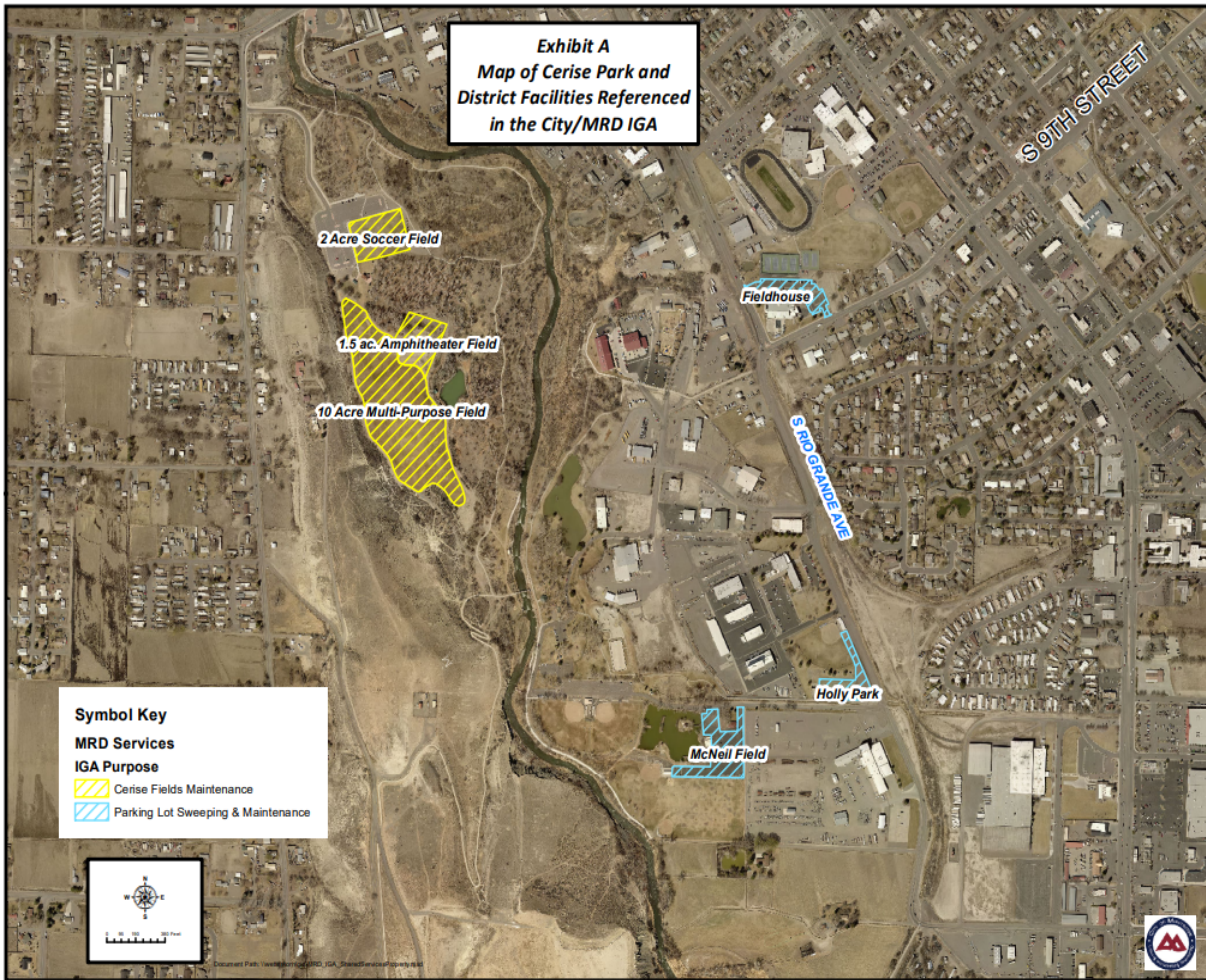
MONTROSE RECREATION DISTRICT

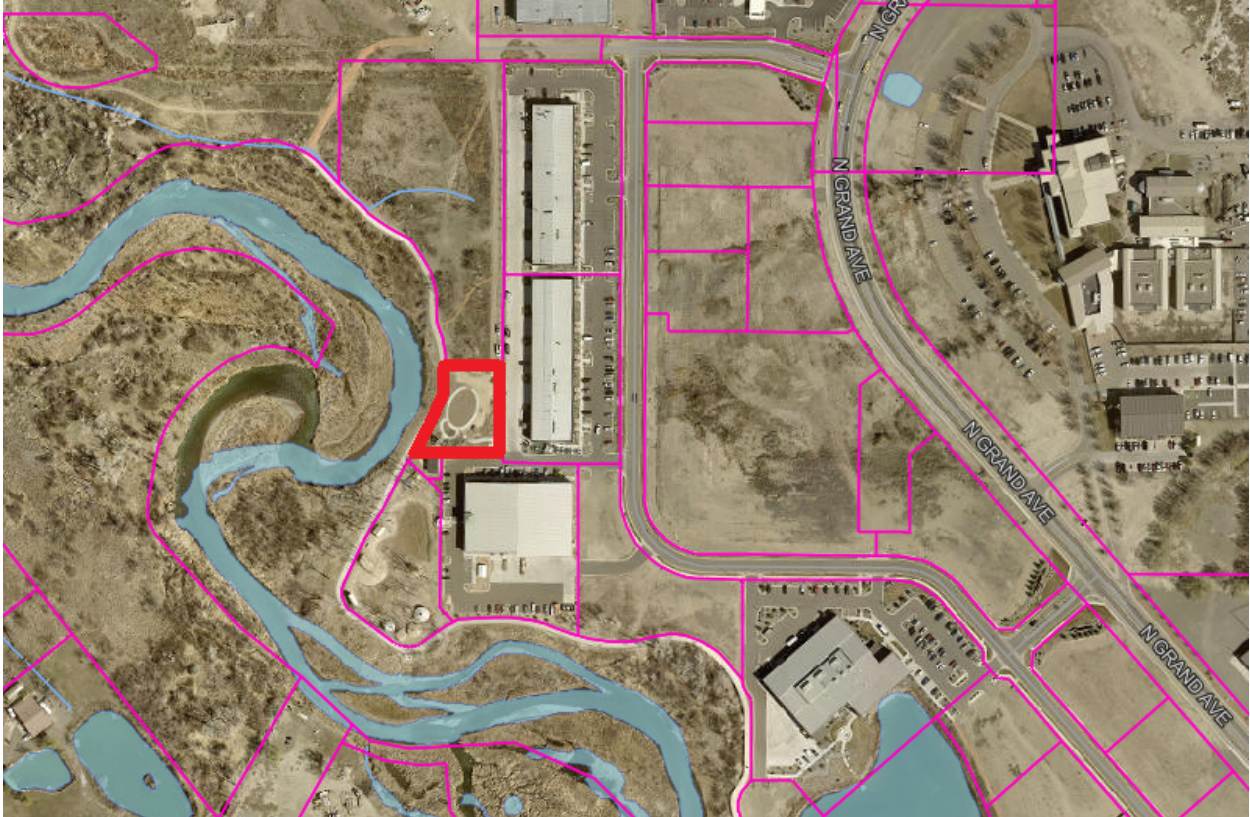
ATTEST:

~~Barb Sharrow~~~~Allison Howe~~, President

Suzi King, Vice President

Exhibit A





Flex Park Location – Also known as Lot 24, Colorado Outdoors Subdivision Amendment No. 7

Exhibit B

FACILITY SERVICES SPECIFICATIONS

- I. Facility Support
 - A. Parking Lot Sweeping - Sweep parking lots at McNeil Fields, Holly Park, and the Field House as shown on Exhibit “A” and the Community Recreation Center, in accordance with City Sweeping Plan. The District may request additional sweeping by the City as needed. All sweeping shall be requested by the District and scheduled with the City. Advanced notice of two weeks shall be required by the City.
 - B. Irrigation System Winterization – District staff may request the use of City compressor equipment free of charge to complete irrigation system winterization.
 - C. Crack Sealing and Asphalt Patching - The City shall provide crack sealing, asphalt patching or a combination of these services at any agreed upon District facility, following prioritized street maintenance scheduling. The estimated value of this work shall be \$4,000 as calculated using the rates in Schedule A. The District Maintenance Superintendent shall contact the City Public Works Director to request and schedule such work, with the understanding that two weeks advanced notice is essential for the City to provide services in a timely and resource-efficient manner. Additional work may be scheduled with the City and invoiced to the District according to the rates in Schedule A.
 - D. General Support - At the City’s discretion, the City may provide general support as needed on projects in which the City has specialized equipment and expertise, particularly in the public works department. Rates for equipment commonly requested by the District are included in Schedule A. Self-propelled equipment will require a City operator. Support not identified in Schedule A will be billed to the District as appropriate and necessary.
 - E. The City shall provide trash and recycling services to the District for the Field House, Community Recreation Center, Holly Park, and McNeil Fields. The District shall provide the City with credit for the value of the services, as detailed in Schedule A, which will be used towards the annual pass payment for City Employees and Council.

Exhibit C

Finance Specifications

I. Cash Receipts, Payroll and Accounts Payable

- A. The District shall continue to operate its Point of Sale system and make its own deposits. Daily cash receipt data will be summarized by revenue category (as determined by the District) by day into a spreadsheet format approved by the City and provided to the City for import into the City's general ledger. This includes daily cash receipts and any billing and invoicing distributed by the District. Additionally, the District shall continue to fulfill accounts payable and payroll functions. The District shall prepare and submit a summary accounts payable and payroll spreadsheet in a format, approved by the City, monthly for import into the City's general ledger.

II. Financial Reports and General Ledger

- A. The City shall generate monthly budget reports within 10 business days of receipt of properly formatted data documenting the expenses and revenues for the previous month (period actual), YTD actual, Annual Budget, Variance, and percentage of Budget expended.
- B. The City will also maintain and update a general ledger budget document that captures all District funds, revenues and expenses.

Exhibit D

INFORMATION SERVICES SPECIFICATIONS

- I. Information Services and Audiovisual Systems Support
 - A. The City shall provide to the District a support phone number and/or website for the initiation of information services and audiovisual technical support.
 - B. The City shall prioritize the support request based on the severity of the issue and the current calls already in the work queue.
 - C. During business hours, the City shall provide an acknowledgment of the support request within four hours. The District shall allow the City to remotely connect to the District computers in order to properly respond to the support request. Support requests initiated after normal business hours should indicate if the problem requires immediate attention or can be resolved on the next regular business day.
 - D. Any support request requiring work in excess of four hours will be communicated prior to completing the request.
 - E. Routine maintenance tasks of supported equipment and software shall be initiated and completed by City according to manufacturer recommendations.
 - F. The City may provide cloud-based backup file storage to the District.
 - G. The City may provide virus checking and protection on all District computers attached to the City Network. The District shall be responsible for purchase of required virus protection licensing for each District computer.
 - H. The City will assess a 3% administrative fee for management of procurement or billing of hardware purchased for MRD and long-distanced phone service.
- II. Telephone System
 - A. Equipment shall be installed in the District in order to provide digital voice over Internet Protocol (VOIP) telephones and voicemail. With the exception of one or more public switched telephone network (PTSN) lines to provide emergency communication and support for alarms, all existing District phone numbers shall be moved to the City demarcation location at City Hall. Telephone calls to District numbers will be routed through the City infrastructure to telephones at District facilities.
 - B. A point-to-point network circuit between the City and District shall be established to provide the VOIP services at District expense.
 - C. The City shall provide internal phone numbers (extensions) to all District VOIP phones as well as voicemail services.
 - D. The City shall support the District in setting up call handling routines.
 - E. The City will notify the District of any planned outages and coordinate best times for planned outages. When the City is contemplating the installation of additional

features and/or upgrades to the telephone system that will result in an additional cost, the District shall have the option to participate in the additions/upgrades of said new feature and/or upgrades and shall share in the cost on a pro-rata basis.

Exhibit E

FLEET MANAGEMENT SPECIFICATIONS.

I. Fleet Repair Services

- A. The City shall provide to the District a support phone number for the initiation of fleet repair services. This phone number shall be answered during regular City Shop working hours 7 AM to 5:30 PM Monday through Thursday.
- B. Repairs to District's vehicles shall be repaired on a priority basis after City police, sanitation, and snow operations vehicles/equipment. This includes the van, bus, and all maintenance equipment.
- C. City shall prepare a monthly report and provide a statement of repairs, parts, labor, and supplies to District for each work order by the 14th of the following month.
- D. Replacement parts shall be as distributed by original equipment manufacturer, NAPA, Carquest or approved equal.

II. Equipment Maintenance

- A. Perform routine maintenance checks and service (including mechanical repairs, tune-ups, filter and oil changes, greasing, power washing) on District owned maintenance equipment such as Jacobson mowers (2), small riding mower (1), Kubota Tractor (1), other tractor (1), ATV (1), field/parking lot painters (2), Diamond Demon field maintainer (1), golf carts (2), chain saws (1)). The District will occasionally send District equipment back to the manufacturers as needed for deep maintenance. The above quantities and types of District maintenance equipment, van and bus are subject to change and provided for reference only. City shall maintain District owned maintenance equipment and vehicles to the extent possible. Specialized maintenance tasks that are outside the expertise of City staff shall be completed by outside vendors at the District's expense. This determination shall be made with communication among the designated representatives of the City and the District with the final decision being made by the District.
- B. All District owned maintenance equipment shall be marked with "MRD".
- C. All District owned maintenance equipment shall be transported by the District to and from the City Public Works Shop when maintenance is requested.
- D. Equipment maintenance records shall be maintained by the City and made available for to the District upon request.

III. Fleet Preventative Maintenance Services

- A. The City shall provide to the District preventive maintenance services at regularly scheduled intervals based on usage.
- B. The City of Montrose Fleet Superintendent will provide a monthly "Scheduled Maintenance Due Report" of MRD Fleet to the MRD Maintenance Superintendent.

- C. Work Outside the scope of Preventative Maintenance Services as defined below in Section F will follow these steps:
 - i. City of Montrose Fleet Superintendent will provide an estimated price of parts and labor along with an estimated completion date.
 - ii. MRD Maintenance Superintendent will review and approve work.
 - iii. MRD Maintenance Superintendent will schedule the approved work with the City Fleet Superintendent.
- D. Work can only be requested, submitted, accepted, or approved by the MRD Maintenance Superintendent and the City of Montrose Fleet Superintendent.
- E. When vehicles are due for service the District will deliver vehicle to City shop at an assigned date and time.
- F. Fleet preventative maintenance services on District vehicles shall include:
 - i. Light truck, 5,000 mile service or “A” service includes: Change engine oil and filter, lube chassis and rotate tires. Check brakes, lights, tires, all other fluids, vehicle markings, paint, and glass. Approximate technician time 1.3 hours.
- G. Replaceable filters shall be as distributed by NAPA or approved equal.

IV. Fleet Management Services

- A. For each District vehicle the City shall maintain service, mileage, parts, fluids and labor costs records in the City’s fleet management system. District records shall be kept under a unique organization and separate from City fleet records.
- B. Reports from available data shall be provided to the District upon request. Recommended vehicle replacement reporting shall be available as well.

V. Fleet Fueling Services and Fluids

- A. City shall allow District to fuel vehicles at City fueling station. City shall provide an access card and fueling key for each District vehicle to allow after-hour access to fueling station. District staff will input an employee identification number and current odometer reading prior to fueling vehicle.
- B. Fluids dispensed by City include: 5W/20 motor oil: API classification GF-4/SM, Dexron V1 automatic transmission fluid, 80W-90 gear lube, ASTM D6210 50/50 pre-mix anti-freeze, NLG1 GC-LB moly high temp EP (extreme pressure) grease.
- C. Fuels dispensed by City include: E10 Unleaded Gasoline and #2 Ultra Low Sulfur (Diesel) Fuel.
- D. City will bill District on a quarterly basis for fuel and fluids dispensed for District vehicles.

VI. Excluded Services

- A. The following services are outside of the scope of capability of the City and must be provided by an outside vendor:

- i. Transmission overhauls
 - ii. Axle overhauls
 - iii. Structural damage
 - iv. Frame damage
 - v. Glass Repair
 - vi. Upholstery Repair
 - vii. Wrecker service
 - viii. Paint and body repairs
 - ix. Engine overhauls
- B. At District request and expense, the City may facilitate repairs through an outside vendor.

Schedule A

PAYMENT SCHEDULE AND SCHEDULE OF COSTS

City shall receive payment from District on a quarterly basis for all services performed.

Hours shall be tracked in each shared service and communicated to the District on a quarterly basis with the budget reports to communicate hours available in each area.

Hourly billing rates are based on the position's burden rate with 3% overhead. Rates are adjusted on an annual basis following approval of the city's annual budget.

Table 1 – Financial Services Cost Schedule			
Task	Estimated Labor Hours	Hourly Billing Rate	Estimated Labor Total
Financial Reporting	8040	\$93108.00	\$7,4404,320.00
Table 2 – Legal Services Cost Schedule			
Deliverable	Hourly Billing Rate		
City Attorney	\$10050.00		
Table 3 – Facility Services Cost Schedule			
Task	Billing Rate	Annual Expense	
Management	\$70.32/hr		
Additional Parking Lot Sweeping	\$38.48for labor / \$232.21for sweeper		
Utility (Cerise Irrigation)		70% of the Actual Cost Charged by DMEA	
Crack Sealing			
Air spade excavation of debris along seams and cracks in the asphalt mat (Truck, Trailer, Compressor, Two Laborers)	\$1.10/linear foot		
Crack Seal (Raw Material)	\$1.50 per pound		
Application of Material (H. Truck, Crack Sealer, 2 Laborers) Including	\$105/hour		

placement, conditioning and sanding			
Additional labor	\$32.28/hour		
Asphalt Patching			
Saw or Wheel Cut Neat Line for Asphalt Patching (Excl. length where pavement abuts concrete or edges of existing pavement)	\$4.40/linear foot		
Removal and Disposal of Asphalt Mat (Street Patch Areas) (Incl. base course reconditioning, compaction, and proof rolling (where possible))	\$9.00/square yard		
Patch Area Over Excavation and Disposal	\$26.75/cubic yard		
Aggregate Base Course (CDOT Class 6) (Incl. placement, moisture conditioning, and compaction)	\$26.75/ton		
Hot Mix Asphalt (Incl. tack coat, placement, and compaction)	\$106.45/ton		
Laborers(patching, traffic control, or sweeping)	32.28/hour		
Additional Potholes Per 50lb Bag (Materials and Labor / Temporary Fix)	\$75per 1.5 cu ft		
Tractor & Mower (Equipment #337)	\$46.47/hr		
Brush Chipper (Equipment #290)	\$32.26/hr		
Ford F350 (Equipment #887)	\$25.19/hr		
Backhoe Loader (Equipment #100)	\$52.69/hr		
Operator for Self-propelled Equipment	\$40.47/hr		

Trash and Recycle Services			
Facility	Containers "T" Trash/ "R" Recycling	Monthly Rate	Annual Expense (To be credited to City)
Community Recreation Center	T- 3-350 gal. containers/ R-1-350 gal. container, 2-90 gal. containers. M/Thurs. Collection	\$364.73 <u>437.68</u>	\$4,376.74 <u>5,252.11</u>
Holly Park	T- 1-350 gal. container. M/Thurs. Collection	\$121.58 <u>145.90</u>	\$1,458.91 <u>1,750.75</u>
McNeil Park	T-1-350 gal. container and 1-420 gal. container. M/Thurs. Collection	\$267.47 <u>320.96</u>	\$3,209.61 <u>3,851.57</u>
Field House	T-2-420 gal. containers, R-4-90 gal. container. M/Thurs. Collection	\$323.04 <u>387.65</u>	\$3,876.54 <u>4,651.78</u>
		Total	\$12,921.79 <u>15,506.21</u>
Table 4 – Information Services Cost Schedule			
Task	Hourly Billing Rate	Annual Expense	
Network Design	\$65.14 <u>71.14</u>		
Network Design – After Hours	\$97.71 <u>106.71</u>		
Computer Support	\$50.24 <u>44.38</u>		
Computer Support – After Hours	\$75.36 <u>66.57</u>		
Network/Server Support	\$65.14 <u>65.92</u>		
Network/Server Support – After Hours	\$97.71		
Phone System Changes	\$65.14 <u>65.92</u>		
Phone System Changes – After Hours	\$97.71 <u>98.88</u>		

Internet Service		\$6,000.00	
(1 Gbps service provided by City)		\$6,000.00	
Cloud-based offsite backup data storage (\$10/month up to 200 GB)			
<u>KnowBe4 Cybersecurity training. \$3.75/user/month. 42 users</u>		<u>\$1,890.00</u>	
Vipre virus scanning managed by City at \$5/month per computer (optional) 12 computers			
<u>Long Distance (\$0.05 /minute) est. 1000 minutes + 3%</u>		<u>\$618.00</u>	
Phone System Charges (\$ <u>14.164.00</u> /user/month) 282 phones		<u>\$4,757.761,056</u>	
<u>Placer.ai location analytics software (36% share of total annual cost)</u>		<u>\$10,584</u>	
Table 5 Fleet Management Cost Schedule			
District Owned Vehicles			
2001 Dodge Pickup			
2004 Chevrolet Van			
2012 Dodge Ram 1500 SLT			
2013 Ford Eldorado Aerolite Bus (15 Passenger)			
2016 Ford F250 Super Duty F-26			
2017 Trailer, VIN 4P5D71420H1258593			
2018 Ford E-350 Bus (15 Passenger)			
2019 1500 4x4 Hemi Reg Cab SLT			
Fleet Maintenance Cost Schedule			
Deliverable		Hourly Billing Rate	Expense
Fleet Repair Services		\$115.00	Parts Actual Cost

Fleet Preventative Maintenance Services	\$115.00	Parts Actual Cost	
Fleet Management Services	\$115.00		
Fleet Fluid and Fueling Cost	NA	Actual Rack Rate	

**INTERGOVERNMENTAL AGREEMENT
BETWEEN THE CITY OF MONTROSE AND THE
MONTROSE RECREATION DISTRICT
REGARDING SHARED SERVICES**

THIS INTERGOVERNMENTAL AGREEMENT (this “Agreement”) is dated _____, 2025, between the City of Montrose, (the “City”) a Colorado home rule municipal corporation, whose address is 400 E. Main Street, P.O. Box 790, Montrose Colorado 81402, and the Montrose Recreation District, (the “District”) a Colorado special district, whose address is 16350 Woodgate Road, Montrose, Colorado 81401; the above-named entities may sometimes be collectively referred to herein as the “Parties” and individually as a “Party.” The effective date of this Agreement shall be January 1, 2026 (the “Effective Date”).

WHEREAS, the City, and the District have collaborated in the past to provide a variety of recreational needs serving a diverse population; and

WHEREAS, it is the directive of the governing bodies of the Parties to provide the best services at the lowest possible cost; and

WHEREAS, the Parties shall implement shared services as specified in this Agreement whereby City agencies shall support the District in exchange for payment; and

NOW THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth, the Parties hereto agree as follows:

PART I: SPECIFIC TERMS.

1. FINANCE

- a) On a monthly basis, the City’s finance department will import the transactional data provided from the District staff. Monthly budget reports will be provided by the City to the District so that the District has up-to-date knowledge of the state of its finances. The District will handle revenue receipts, provide accounts payable and payroll services in-house. The District shall provide cash receipt, accounts payable and payroll summary data to the City in a format approved by the City on a monthly basis. The District shall bear all expense related to District finances and accounting. A detailed description of the processes for all finance functions is set forth on Exhibit “C”, which is attached hereto and incorporated herein.
- b) As defined on Exhibit “C”, the District shall continue to provide day-to-day accounting and timekeeping functions, including point of sale and deposits, in-house (the “Daily Functions”). The District shall provide reports of the Daily Functions to the City in such a format that allows the City to import journal entry data into the City’s financial software.
- c) The District will utilize the services as written in sections a and b above until such time as they are able to transition to provide them autonomously. This is planned for completion

in early 2026. The City will bill for financial services rendered until the district is complete with this transition.

- d) The City shall provide administration service to the District for the Recreation Facility Election Intergovernmental Agreement. The agreement specifies the transfer and use of the voter approved sales tax proceeds generated from a 0.3% sales tax increase approved by voters on April 1, 2014. The District shall credit the City as specified in this Part I (7) (E).

2. LEGAL

- a) The City Attorney represents the City. The City Attorney may provide general legal services to the District as time and the specific need arises. The Council or the City Attorney may determine on a case-by-case basis that the District shall obtain separate legal advice and/or representation.
- b) The Parties shall execute a letter of engagement setting forth the scope of the representation prior to the rendering of legal services under this Agreement. No attorney/client relationship shall be formed until such letter of engagement has been executed.
- c) The District shall bear all expense related to the provision of general legal services by the City Attorney for the benefit of the District.
- d) The City Council may terminate the provision of the City Attorney's services to the District at any time.
- e) Nothing in this provision interferes with the District's right to hire counsel of their own choosing.

3. FACILITY SERVICES

- a) The City shall provide sweeping services for District parking lot areas as depicted in Exhibit "A" and at the Community Recreation Center, following prioritized maintenance schedules identified in the City Sweeping Plan. All sweeping shall be requested by the District and scheduled with the City. Advanced notice of two weeks shall be required by the City. The City may provide general support to the District as needed on projects in which the City has specialized equipment. Equipment and labor rates are provided in Schedule "A".
- b) The City's personnel policies and insurance coverage shall apply to any City employees working on District property and the District shall not be responsible for any human resource issue or insurance coverage issue pertaining to these City employees.
- c) The City shall provide crack sealing, asphalt patching services or a combination of these services at any agreed upon District facility, following prioritized street maintenance scheduling. The estimated value of this work shall be \$4,000 as calculated using the rates in Schedule A. The District Maintenance Superintendent shall contact the City Public Works Director to request and schedule such work, with the understanding that two weeks advanced notice is essential for the City to provide services in a timely and resource-

efficient manner. Additional work may be scheduled with the City and invoiced to the District according to the rates in Schedule A.

- d) MRD's personnel policies and insurance coverage shall apply to any MRD employees working on City property and the City shall not be responsible for any human resource issue or insurance coverage issue pertaining to these MRD employees.
- e) The District shall bear all expense related to the provision of facilities services by the City for the benefit of the District.
- f) The City shall bear all expense related to the provision of facilities services by MRD for the benefit of the City.

4. CERISE & AMPHITHEATER FIELDS, TRAILS, PUBLIC SPACES AND FLEX PARK

a) DESCRIPTION

- i) For the purposes of this Agreement, Cerise Fields shall mean a ten (10) acre, multi-purpose area and a two (2) acre soccer field and related facilities on site, including irrigation systems, storage building and natural surface trails, as depicted in Exhibit "A".
- ii) For purposes of this Agreement, Amphitheater Field shall mean the 1.5 acre field located in front of the Montrose Rotary Amphitheater, as depicted in Exhibit "A".
- iii) For the purposes of this Agreement, Trails and Public Spaces shall mean other spaces open to the public for non-exclusive use within the Baldrige Regional Park Complex.
- iv) For the purposes of this Agreement, Flex Park shall mean the 0.56-acre lot situated adjacent to the west of the Flex Rec facility at 1309 Mayfly Drive occupied by MRD, as depicted in Exhibit "A".

b) ACCESS

- i) The City shall grant public access to the Cerise Fields for as long as the City, or its assigns, leases or owns the land encompassing Cerise Fields.
- ii) The City hereby grants to the District the right to use the Cerise Fields in accordance with the terms of this Agreement. This right to use is for the purpose of allowing the District, its agents and contractors, access to Cerise Fields for the purpose of conducting the day-to-day programs and activities of the District.
- iii) During the term of this Agreement, a Master Scheduling for the use of the Cerise Fields shall be created annually, not later than January 31 of each year. Master scheduling will include key District and City personnel. Both parties will present a calendar of events, collaborating to populate a shared calendar of events that includes community-wide events, Cerise Park programming, and large events (100+ people) at the Montrose Rotary Amphitheater or at the Ute, McNeil, or Holly Park set of fields. Once this Master Schedule has been created, either party may add events into the schedule with 60 days' notice with no required notification of the other party. Within 60 days, modifications or additions of large events (100+ people) to the

schedule require notification of the other party prior to finalization. Primary contacts for scheduling are identified as the City Clerk, Lisa DelPiccolo and the District's Facilities Manager, Justin Mashburn.

- iv) The District shall provide a layout of the proposed field locations for each sports season as part of the Master Schedule. Except as otherwise provided herein, the District shall have priority in scheduling events in the Master Schedule for Cerise Fields. The City shall have priority in scheduling events thereafter, with the District having secondary scheduling priority after both the City and the District have scheduled their initial events. City Park Use Fees will be exempted for all District activities scheduled. Notwithstanding the foregoing, the following holiday weekends shall be scheduled by the City for special community events: Memorial Day, Independence Day, and Labor Day. Additionally, it is recognized that the second weekend in August shall also be scheduled by the City for the annual Fun on the Uncompahgre River Festival (FUNC Fest) at Riverbottom Park and the Montrose Rotary Amphitheater, the second Saturday in May shall be scheduled by the City for the annual Montrose Mudder at Cerise Fields and Trails and the Montrose Rotary Amphitheater, and the third weekend in August shall be scheduled by the District for the annual Youth Appreciation Day (YAD).

c) MAINTENANCE

- i) The District shall maintain the Cerise Fields (said maintenance to include all turf maintenance and ancillary equipment required for District programs) during the growing season, and during any times that the District is sponsoring programs at the Cerise Fields.
- ii) The City shall be responsible for all restroom cleaning. The City shall refer to the shared calendar of events in order to ensure that cleaning takes place prior to and after events. The District shall notify the City in advance of upcoming large events that may warrant additional services such as cleaning during an event. The restroom at Cerise Fields will be closed and winterized no earlier than October 15 each year and reopened for use no later than April 15 each year to protect it from freezing.
- iii) The District shall be responsible for arranging for temporary toilet facilities if needed during periods when the restroom is closed. Notwithstanding the foregoing, the City shall be responsible for communicating to the District and supplying temporary toilet facilities if restrooms are closed for any reason later than April 15 or prior to October 15.
- iv) The District shall be responsible for any "start-up", winterization and draining of the irrigation system serving the Cerise Fields.
- v) The District shall provide mowing and trimming services, including labor and equipment, for the Amphitheater Field, following prioritized park maintenance and scheduling. The District shall provide mowing and trimming one (1) day per week during the growing season; the growing season begins on March 1 and concludes on October 31. The estimated value of this work is \$4,000. Additional work may be scheduled with the District and invoiced to the City at a rate of \$42.67 per hour, including labor and equipment.

- vi) The City shall maintain Cerise and Amphitheater Fields after the District has ceased using the Cerise Fields for programs, and during the non-growing season; the non-growing season begins on November 1 of each year and concludes on the last day of February of each following year.
- vii) Maintenance shall be performed in accordance with the specifications set forth in Exhibit “B”. Maintenance shall be done in accordance with National Recreation and Park Association standards.
- viii) The District shall be responsible for maintenance of the Flex Park, including but not limited to, providing turf and ground cover maintenance, inclusive of mowing and trimming services (including associated labor and equipment). The District shall also be responsible for irrigation repairs and maintenance, including any “start-up”, winterization and draining of the irrigation system serving the Flex Park. The City will maintain the restroom facility adjacent to the south and will also provide trash service for the Flex Park. It is understood that the District’s maintenance of Flex Park is contingent on its occupancy of property at Colorado Outdoors.

d) USE OF THE CERISE FIELDS

- i) Use of the multi-purpose field shall be limited to sporting practices, games, and Amphitheater events; all goals and other equipment shall be portable, and shall be supplied either by the user, or by the District and shall be removed after each sports season. Temporary painted stripes may be placed on the multi-purpose field. The District shall be responsible for removing portable equipment at the City’s request for other scheduled activities. All portable equipment shall be securely attached to the ground for the purpose of assuring public safety. The District shall assure at all times a minimum of two (2) acres of the multi-purpose field shall be available to the public for use and not scheduled for practice or game use.
- ii) Games and international soccer league activities shall be limited to the two-acre field and the 10-acre field, as depicted on Exhibit “A”.

5. INFORMATION SERVICES

- a) The City Information Services Department shall provide technical support to the District staff and board to assure the smooth operation of the District information services systems in accordance with the standards set forth in Exhibit “D” which is attached hereto and incorporated herein.
- b) District shall ensure City staff are provided with orientation and training by the audiovisual equipment installers or manufacturers for routine support and maintenance of all installed products. District shall provide a copy of operations and maintenance manuals and as-built diagram for all District audiovisual equipment which the City will be maintaining.
- c) District shall include City staff in future planning and upgrades of audiovisual equipment prior to ordering and installation.
- d)

6. FLEET MANAGEMENT

- a) The City Fleet Department shall provide fleet management support for District owned vehicles. The City shall be responsible for fleet management in accordance with the standards set forth in Exhibit “E”, which is attached hereto and incorporated herein.
- b) The District shall bear all expense related to maintaining the District fleet.

7. FACILITY ACCESS FOR EMPLOYEES

- a) City Employee and Council Access to the Community Recreation Center. The District shall waive the Tier 3 Corporate Membership fee for the City. The District shall offer the Participant Membership Fees (equivalent to a 25% discount) to City employees and Council for the family and adult annual pass at the effective rate at time of purchase. The District shall share such rates for the upcoming calendar year with the City by November 1. This discount does not apply to youth, senior or any other pass products.
- b) The City shall notify the District when employees are terminated and/or when new hires are made on a monthly basis. MRD will remove annual pass privileges for terminated City employees at the end of the current month. New employee annual pass privileges will be effective immediately. Balances for terminated and/or new employees shall be mutually resolved at the end of the current calendar year.
- c) District Employee and Board Access to the Black Canyon Golf Course. The City shall offer a 100% discount to Full Time District employees and active Board of Directors members on the regularly priced Black Canyon Card, which is a value of \$50, providing access to discounted golf, merchandise, and food.
- d) The City shall provide trash and recycling services to the District for the Field House, Community Recreation Center, Holly Park, and McNeil Fields (an annual value of \$12,921.79 value as noted in Schedule A). The District shall provide the City with credit, (equivalent to an annual value of \$12,921.79 value) which will be used towards the annual pass payment for City Employees and Council.
- e) The City shall provide administration of sales tax revenues from the City to the District at no cost (an annual value of \$3,000). The District shall provide the City with credit, (equivalent to an annual value of \$3,000) which will be used towards the annual pass payment for City Employees and Council.

PART II: TERM. The initial term of this Agreement shall commence on the Effective Date and shall continue in effect through December 31, 2026 unless otherwise terminated in accordance with the provisions of Part XIII of this Agreement.

PART III: PAYMENT. The District shall provide a payment in cash or its equivalent as set forth in Schedule A. In the event that the actual labor hours for a specific task indicated in Schedule A differ from those shown, the actual hours at the associated rate indicated on Schedule A will be paid by the District to the City.

PART IV: COMMUNICATIONS. The Parties shall designate authorized representatives and all communications related to the performance of duties defined in this Agreement shall be conducted

solely between the representatives so designated. Additionally, the key City staff involved in providing the shared services described in this Agreement shall report as needed to the District's Board of Directors.

PART V: ASSIGNMENTS.

- a) *No Assignments.* Neither Party may assign any of its rights, duties or obligations arising under this Agreement without the prior written consent of the other Party.
- b) *Ramifications of Purported Assignment.* Any purported assignment of the rights, duties or obligations of either Party without the express written consent of the other Party shall be void.

PART VI: CHOICE OF 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 Agreement, including, without limitation, its interpretation, construction, performance and enforcement.

PART VII: INDEMNIFICATION (DISTRICT TO CITY). The District, to extent allowed under Colorado Constitution Article X, Section 20, and any other law, shall indemnify and defend the City at all times as of the Effective Date of this Agreement against:

- a) any liability, loss, damages (including punitive damages), claim, settlement payment, cost and expense, interest, award, judgment, diminution in value, fine, fee, and penalty or other charge, other than any Litigation Expenses (as defined in subsection (b)), arising out of or relating to the activities of the District set forth herein; and
- b) any court filing fee, court cost, arbitration fee or cost, witness fee, and each other fee and cost of investigating and defending or asserting any claim for indemnification under this Agreement, including, without limitation, in each case, attorneys' fees, other professionals' fees, and disbursements (collectively, "Litigation Expenses").

PART VIII: INDEMNIFICATION (CITY TO DISTRICT). The City, to the extent allowed under Colorado Constitution Article X, Section 20, and any other law, shall indemnify and defend the District at all times as of the Effective Date of this Agreement against:

- a) any liability, loss, damages (including punitive damages), claim, settlement payment, cost and expense, interest, award, judgment, diminution in value, fine, fee, and penalty or other charge, other than any Litigation Expenses (as defined in subsection (b)), arising out of or relating to the activities of the City set forth herein; and
- b) any court filing fee, court cost, arbitration fee or cost, witness fee, and each other fee and cost of investigating and defending or asserting any claim for indemnification under this Agreement, including, without limitation, in each case, attorneys' fees, other professionals' fees, and disbursements (collectively, "Litigation Expenses").

PART IX: NOTICES.

- 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 Agreement shall give the Notice in writing and use one of the following methods of delivery, each of which for purposes of this Agreement 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 Agreement 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 Agreement, 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.

PART X: AMENDMENTS. The Parties may amend this Agreement only by a written agreement of the Parties that identifies itself as an amendment to this Agreement.

PART XI: MERGER. This Agreement constitutes the final agreement between the Parties. It is the complete and exclusive expression of the Parties’ agreement on the matters contained in this Agreement. All prior and contemporaneous negotiations and agreements between the Parties on the matters contained in this Agreement, including but not limited to the Intergovernmental Agreement between the Parties in previous years, are expressly merged into and superseded by this Agreement. The provisions of this Agreement may not be explained, supplemented or qualified through evidence of trade usage or a prior course of dealings. In entering into this Agreement, neither Party has relied upon any statement, representation, warranty or agreement of the other Party except for those expressly contained in this Agreement. There are no conditions precedent to the effectiveness of this Agreement other than those expressly stated in this Agreement.

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

PART XIII: FUTURE AGREEMENT. If District wishes to enter into a contract for 2027 with City, District must notify City no later than October 15, 2026 .

PART XIV: ESCALATOR. All costs set forth in Schedule A shall be subject to escalation or de-escalation based on actual increases or decreases in costs incurred by the City. Written documentation of said increases shall be provided by the City to the District as these increases occur.

APPROVED this _____ day of _____, 2025.

CITY OF MONTROSE

ATTEST:

David Frank, Mayor

Lisa DelPiccolo, City Clerk

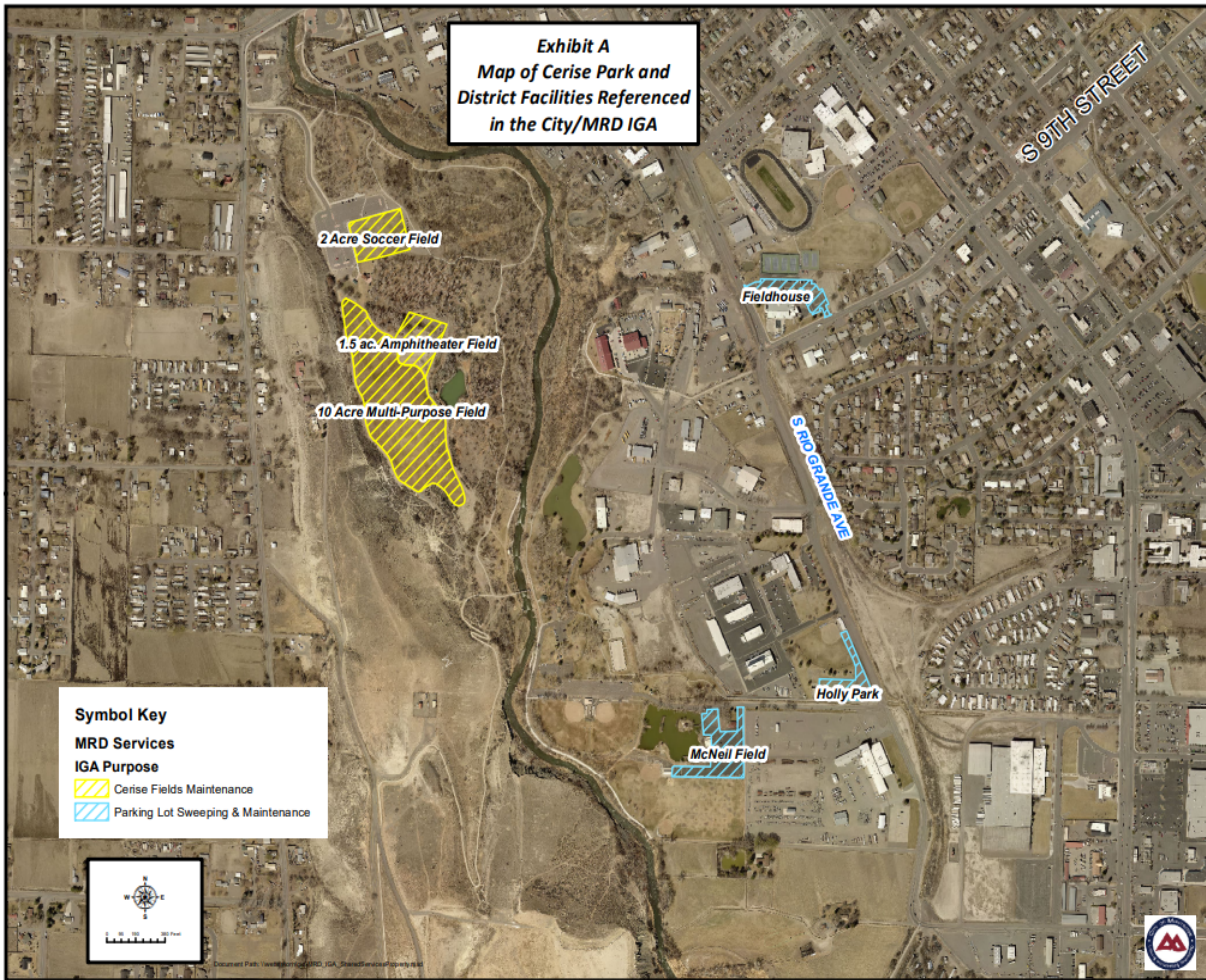
MONTROSE RECREATION DISTRICT

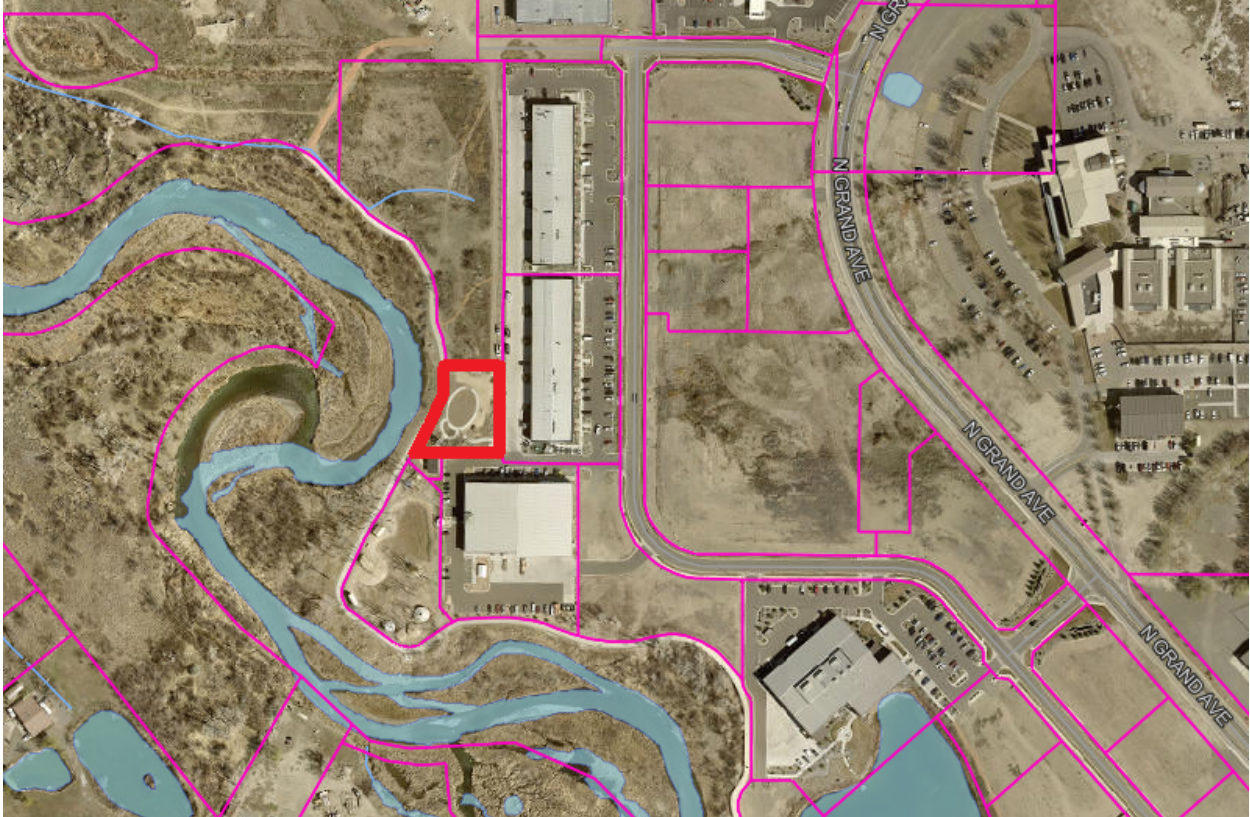
ATTEST:

Barb Sharrow, President

Suzi King, Vice President

Exhibit A





Flex Park Location – Also known as Lot 24, Colorado Outdoors Subdivision Amendment No. 7

Exhibit B

FACILITY SERVICES SPECIFICATIONS

- I. Facility Support
 - A. Parking Lot Sweeping - Sweep parking lots at McNeil Fields, Holly Park, and the Field House as shown on Exhibit “A” and the Community Recreation Center, in accordance with City Sweeping Plan. The District may request additional sweeping by the City as needed. All sweeping shall be requested by the District and scheduled with the City. Advanced notice of two weeks shall be required by the City.
 - B. Irrigation System Winterization – District staff may request the use of City compressor equipment free of charge to complete irrigation system winterization.
 - C. Crack Sealing and Asphalt Patching - The City shall provide crack sealing, asphalt patching or a combination of these services at any agreed upon District facility, following prioritized street maintenance scheduling. The estimated value of this work shall be \$4,000 as calculated using the rates in Schedule A. The District Maintenance Superintendent shall contact the City Public Works Director to request and schedule such work, with the understanding that two weeks advanced notice is essential for the City to provide services in a timely and resource-efficient manner. Additional work may be scheduled with the City and invoiced to the District according to the rates in Schedule A.
 - D. General Support - At the City’s discretion, the City may provide general support as needed on projects in which the City has specialized equipment and expertise, particularly in the public works department. Rates for equipment commonly requested by the District are included in Schedule A. Self-propelled equipment will require a City operator. Support not identified in Schedule A will be billed to the District as appropriate and necessary.
 - E. The City shall provide trash and recycling services to the District for the Field House, Community Recreation Center, Holly Park, and McNeil Fields. The District shall provide the City with credit for the value of the services, as detailed in Schedule A, which will be used towards the annual pass payment for City Employees and Council.

Exhibit C

FINANCE SPECIFICATIONS

I. Cash Receipts, Payroll and Accounts Payable

- A. The District shall continue to operate its Point of Sale system and make its own deposits. Daily cash receipt data will be summarized by revenue category (as determined by the District) by day into a spreadsheet format approved by the City and provided to the City for import into the City's general ledger. This includes daily cash receipts and any billing and invoicing distributed by the District. Additionally, the District shall continue to fulfill accounts payable and payroll functions. The District shall prepare and submit a summary accounts payable and payroll spreadsheet in a format, approved by the City, monthly for import into the City's general ledger.

II. Financial Reports and General Ledger

- A. The City shall generate monthly budget reports within 10 business days of receipt of properly formatted data documenting the expenses and revenues for the previous month (period actual), YTD actual, Annual Budget, Variance, and percentage of Budget expended.
- B. The City will also maintain and update a general ledger budget document that captures all District funds, revenues and expenses.

Exhibit D

INFORMATION SERVICES SPECIFICATIONS

- I. Information Services and Audiovisual Systems Support
 - A. The City shall provide to the District a support phone number and/or website for the initiation of information services and audiovisual technical support.
 - B. The City shall prioritize the support request based on the severity of the issue and the current calls already in the work queue.
 - C. During business hours, the City shall provide an acknowledgment of the support request within four hours. The District shall allow the City to remotely connect to the District computers in order to properly respond to the support request. Support requests initiated after normal business hours should indicate if the problem requires immediate attention or can be resolved on the next regular business day.
 - D. Any support request requiring work in excess of four hours will be communicated prior to completing the request.
 - E. Routine maintenance tasks of supported equipment and software shall be initiated and completed by City according to manufacturer recommendations.
 - F. The City may provide cloud-based backup file storage to the District.
 - G. The City may provide virus checking and protection on all District computers attached to the City Network. The District shall be responsible for purchase of required virus protection licensing for each District computer.
 - H. The City will assess a 3% administrative fee for management of procurement or billing of hardware purchased for MRD and long-distanced phone service.
- II. Telephone System
 - A. Equipment shall be installed in the District in order to provide digital voice over Internet Protocol (VOIP) telephones and voicemail. With the exception of one or more public switched telephone network (PTSN) lines to provide emergency communication and support for alarms, all existing District phone numbers shall be moved to the City demarcation location at City Hall. Telephone calls to District numbers will be routed through the City infrastructure to telephones at District facilities.
 - B. A point-to-point network circuit between the City and District shall be established to provide the VOIP services at District expense.
 - C. The City shall provide internal phone numbers (extensions) to all District VOIP phones as well as voicemail services.
 - D. The City shall support the District in setting up call handling routines.
 - E. The City will notify the District of any planned outages and coordinate best times for planned outages. When the City is contemplating the installation of additional

features and/or upgrades to the telephone system that will result in an additional cost, the District shall have the option to participate in the additions/upgrades of said new feature and/or upgrades and shall share in the cost on a pro-rata basis.

Exhibit E

FLEET MANAGEMENT SPECIFICATIONS

I. Fleet Repair Services

- A. The City shall provide to the District a support phone number for the initiation of fleet repair services. This phone number shall be answered during regular City Shop working hours 7 AM to 5:30 PM Monday through Thursday.
- B. Repairs to District's vehicles shall be repaired on a priority basis after City police, sanitation, and snow operations vehicles/equipment. This includes the van, bus, and all maintenance equipment.
- C. City shall prepare a monthly report and provide a statement of repairs, parts, labor, and supplies to District for each work order by the 14th of the following month.
- D. Replacement parts shall be as distributed by original equipment manufacturer, NAPA, Carquest or approved equal.

II. Equipment Maintenance

- A. Perform routine maintenance checks and service (including mechanical repairs, tune-ups, filter and oil changes, greasing, power washing) on District owned maintenance equipment such as Jacobson mowers (2), small riding mower (1), Kubota Tractor (1), other tractor (1), ATV (1), field/parking lot painters (2), Diamond Demon field maintainer (1), golf carts (2), chain saws (1)). The District will occasionally send District equipment back to the manufacturers as needed for deep maintenance. The above quantities and types of District maintenance equipment, van and bus are subject to change and provided for reference only. City shall maintain District owned maintenance equipment and vehicles to the extent possible. Specialized maintenance tasks that are outside the expertise of City staff shall be completed by outside vendors at the District's expense. This determination shall be made with communication among the designated representatives of the City and the District with the final decision being made by the District.
- B. All District owned maintenance equipment shall be marked with "MRD".
- C. All District owned maintenance equipment shall be transported by the District to and from the City Public Works Shop when maintenance is requested.
- D. Equipment maintenance records shall be maintained by the City and made available for to the District upon request.

III. Fleet Preventative Maintenance Services

- A. The City shall provide to the District preventive maintenance services at regularly scheduled intervals based on usage.
- B. The City of Montrose Fleet Superintendent will provide a monthly "Scheduled Maintenance Due Report" of MRD Fleet to the MRD Maintenance Superintendent.

- C. Work Outside the scope of Preventative Maintenance Services as defined below in Section F will follow these steps:
 - i. City of Montrose Fleet Superintendent will provide an estimated price of parts and labor along with an estimated completion date.
 - ii. MRD Maintenance Superintendent will review and approve work.
 - iii. MRD Maintenance Superintendent will schedule the approved work with the City Fleet Superintendent.
- D. Work can only be requested, submitted, accepted, or approved by the MRD Maintenance Superintendent and the City of Montrose Fleet Superintendent.
- E. When vehicles are due for service the District will deliver vehicle to City shop at an assigned date and time.
- F. Fleet preventative maintenance services on District vehicles shall include:
 - i. Light truck, 5,000 mile service or “A” service includes: Change engine oil and filter, lube chassis and rotate tires. Check brakes, lights, tires, all other fluids, vehicle markings, paint, and glass. Approximate technician time 1.3 hours.
- G. Replaceable filters shall be as distributed by NAPA or approved equal.

IV. Fleet Management Services

- A. For each District vehicle the City shall maintain service, mileage, parts, fluids and labor costs records in the City’s fleet management system. District records shall be kept under a unique organization and separate from City fleet records.
- B. Reports from available data shall be provided to the District upon request. Recommended vehicle replacement reporting shall be available as well.

V. Fleet Fueling Services and Fluids

- A. City shall allow District to fuel vehicles at City fueling station. City shall provide an access card and fueling key for each District vehicle to allow after-hour access to fueling station. District staff will input an employee identification number and current odometer reading prior to fueling vehicle.
- B. Fluids dispensed by City include: 5W/20 motor oil: API classification GF-4/SM, Dexron V1 automatic transmission fluid, 80W-90 gear lube, ASTM D6210 50/50 pre-mix anti-freeze, NLG1 GC-LB moly high temp EP (extreme pressure) grease.
- C. Fuels dispensed by City include: E10 Unleaded Gasoline and #2 Ultra Low Sulfur (Diesel) Fuel.
- D. City will bill District on a quarterly basis for fuel and fluids dispensed for District vehicles.

VI. Excluded Services

- A. The following services are outside of the scope of capability of the City and must be provided by an outside vendor:

- i. Transmission overhauls
 - ii. Axle overhauls
 - iii. Structural damage
 - iv. Frame damage
 - v. Glass Repair
 - vi. Upholstery Repair
 - vii. Wrecker service
 - viii. Paint and body repairs
 - ix. Engine overhauls
- B. At District request and expense, the City may facilitate repairs through an outside vendor.

Schedule A

PAYMENT SCHEDULE AND SCHEDULE OF COSTS

City shall receive payment from District on a quarterly basis for all services performed.

Hours shall be tracked in each shared service and communicated to the District on a quarterly basis with the budget reports to communicate hours available in each area.

Hourly billing rates are based on the position's burden rate with 3% overhead. Rates are adjusted on an annual basis following approval of the city's annual budget.

Table 1 – Financial Services Cost Schedule			
Task	Estimated Labor Hours	Hourly Billing Rate	Estimated Labor Total
Financial Reporting	40	\$108.00	\$4,320.00
Table 2 – Legal Services Cost Schedule			
Deliverable	Hourly Billing Rate		
City Attorney	\$150.00		
Table 3 – Facility Services Cost Schedule			
Task	Billing Rate	Annual Expense	
Management	\$70.32/hr		
Additional Parking Lot Sweeping	\$38.48for labor / \$232.21for sweeper		
Utility (Cerise Irrigation)		70% of the Actual Cost Charged by DMEA	
Crack Sealing			
Air spade excavation of debris along seams and cracks in the asphalt mat (Truck, Trailer, Compressor, Two Laborers)	\$1.10/linear foot		
Crack Seal (Raw Material)	\$1.50 per pound		
Application of Material (H. Truck, Crack Sealer, 2 Laborers) Including	\$105/hour		

placement, conditioning and sanding			
Additional labor	\$32.28/hour		
Asphalt Patching			
Saw or Wheel Cut Neat Line for Asphalt Patching (Excl. length where pavement abuts concrete or edges of existing pavement)	\$4.40/linear foot		
Removal and Disposal of Asphalt Mat (Street Patch Areas) (Incl. base course reconditioning, compaction, and proof rolling (where possible))	\$9.00/square yard		
Patch Area Over Excavation and Disposal	\$26.75/cubic yard		
Aggregate Base Course (CDOT Class 6) (Incl. placement, moisture conditioning, and compaction)	\$26.75/ton		
Hot Mix Asphalt (Incl. tack coat, placement, and compaction)	\$106.45/ton		
Laborers(patching, traffic control, or sweeping)	32.28/hour		
Additional Potholes Per 50lb Bag (Materials and Labor / Temporary Fix)	\$75per 1.5 cu ft		
Tractor & Mower (Equipment #337)	\$46.47/hr		
Brush Chipper (Equipment #290)	\$32.26/hr		
Ford F350 (Equipment #887)	\$25.19/hr		
Backhoe Loader (Equipment #100)	\$52.69/hr		
Operator for Self-propelled Equipment	\$40.47/hr		

Trash and Recycle Services			
Facility	Containers "T" Trash/ "R" Recycling	Monthly Rate	Annual Expense (To be credited to City)
Community Recreation Center	T- 3-350 gal. containers/ R-1-350 gal. container, 2-90 gal. containers. M/Thurs. Collection	\$437.68	\$5,252.11
Holly Park	T- 1-350 gal. container. M/Thurs. Collection	\$145.90	\$1,750.75
McNeil Park	T-1-350 gal. container and 1-420 gal. container. M/Thurs. Collection	\$320.96	\$3,851.57
Field House	T-2-420 gal. containers, R-4-90 gal. container. M/Thurs. Collection	\$387.65	\$4,651.78
		Total	\$15,506.21
Table 4 – Information Services Cost Schedule			
Task	Hourly Billing Rate	Annual Expense	
Network Design	\$71.14		
Network Design – After Hours	\$106.71		
Computer Support	\$44.38		
Computer Support – After Hours	\$66.57		
Network/Server Support	\$65.92		
Network/Server Support – After Hours	\$97.71		
Phone System Changes	\$65.92		
Phone System Changes – After Hours	\$98.88		
Internet Service		\$6,000.00	
(1 Gbps service provided by City)		\$6,000.00	
Cloud-based offsite backup date storage (\$10/month up to 200 GB			

KnowBe4 Cybersecurity training. \$3.75/user/month. 42 users		\$1,890.00	
Vipre virus scanning managed by City at \$5/month per computer (optional) 12 computers			
Phone System Charges (\$14.16 /user/month) 28 phones		\$4,757.76	
Table 5 Fleet Management Cost Schedule			
District Owned Vehicles			
2001 Dodge Pickup			
2004 Chevrolet Van			
2012 Dodge Ram 1500 SLT			
2013 Ford Eldorado Aerolite Bus (15 Passenger)			
2016 Ford F250 Super Duty F-26			
2017 Trailer, VIN 4P5D71420H1258593			
2018 Ford E-350 Bus (15 Passenger)			
2019 1500 4x4 Hemi Reg Cab SLT			
Fleet Maintenance Cost Schedule			
Deliverable		Hourly Billing Rate	Expense
Fleet Repair Services		\$115.00	Parts Actual Cost
Fleet Preventative Maintenance Services	\$115.00	Parts Actual Cost	
Fleet Management Services	\$115.00		
Fleet Fluid and Fueling Cost	NA	Actual Rack Rate	



CITY OF MONTROSE
Community Development

MEMO

TO: City Council
FROM: Ann Morgenthaler, Deputy City Manager
DATE: November 17 & 18, 2025
RE: CDBG Grant Modification Request – Haven House

ATTACHMENTS

- Exhibit A: Draft Letter of Modification Request

City Council Consideration:

City Council consideration of a grant modification request to a previously awarded Community Development Block Grant through the State of Colorado.

Project Background:

In August 2023, the City of Montrose entered into a \$600,000 grant agreement with the Colorado Department of Local Affairs, Division of Local Government. The City is serving as the pass-through entity for the grant, which was awarded on behalf of Haven House, a local organization in Olathe, Colorado that provides transitional housing, homelessness support services, and childcare for low-income families. The original proposal by Haven House called for constructing a two-story, approximately 9,200-square-foot addition to the existing Haven House facility to expand transitional housing capacity, childcare services, and supportive programming. The project description from the executed contract is provided below:

“The City of Montrose (Grantee) will work with Haven House to hire a qualified contractor to construct an approximately 9,200 square foot, two-story building connected to the existing 13,200 square foot building on the Haven House facility, located at 4806 North River Road, in Olathe, Colorado. Work includes construction of an Early Child Education Center, office space, and four (4) new transitional housing units on the first floor and eight (8) low-income apartments on the second floor. Haven House will own and maintain the constructed two-story building...”

Following an RFP process based on the initial design, it was determined that the projected construction costs substantially exceeded the available project budget. After further evaluation and consultation, Haven House explored alternative, cost-effective construction methods. Modular construction emerged as the most viable option both financially and in terms of project delivery.

Additionally, due to inflationary cost pressures, Haven House found it was necessary to reduce the project scope. The revised proposal will consist of a 4,320 single-story modular building addition that will serve as an expansion of the Kid's Haven Early Learning Center. This facility will increase childcare capacity by approximately 35% and will provide dedicated infant and toddler rooms, as well as a staff conference room. The program will continue to serve current and former participants of the Transitional Housing Program, as well as other low-income families in the community who qualify for CCCAP or other supportive childcare programs, or who pay on a sliding-scale basis.

As part of the grant modification process, DOLA has requested a formal letter signed by the Mayor of Montrose, included here as Exhibit A. It is important to note that this modification does not alter the City's financial contribution, and no local match is required. The request simply accounts for the change in scope of Haven House's project.



CITY OF MONTROSE



Phone: 970.240.1407
Fax: 970.240.1499

November 18, 2025

Division of Local Government
Department of Local Affairs
Community Development Office

RE: Request for Grant Modification – Project CDBGPF-22527

Dear Colorado Division of Local Government,

The City of Montrose respectfully submits this letter to request a modification to the Community Development Block Grant award received through the State of Colorado, Project Number CDBGPF-22527.

In August 2023, the City of Montrose entered into a grant agreement for the amount of \$600,000 with the Colorado Department of Local Affairs, Division of Local Government. The original scope of work included construction of a two-story, approximately 9,200-square-foot addition to the existing Haven House facility to expand capacity for transitional housing, childcare, and supportive services. The project description from the executed contract is provided below:

“The City of Montrose (Grantee) will work with Haven House to hire a qualified contractor to construct an approximately 9,200 square foot, two-story building connected to the existing 13,200 square foot building on the Haven House facility, located at 4806 North River Road, in Olathe, Colorado. Work includes construction of an Early Child Education Center, office space, and four (4) new transitional housing units on the first floor and eight (8) low-income apartments on the second floor. Haven House will own and maintain the constructed two-story building and all improvements and in accordance with §9 below, a contractor will be hired to complete the Work.”

Following an RFP process based on the initial design, it was determined that the projected construction costs substantially exceeded the available project budget. After further evaluation and consultation, Haven House explored alternative, cost-effective construction methods. Modular construction emerged as the most viable option both financially and in terms of project delivery.

Additionally, due to inflationary cost pressures, it was necessary to refine the project scope. The revised project will consist of a 4,320 single-story modular building addition that will serve as the expansion of the Kid’s Haven Early Learning Center. This addition will increase childcare capacity by approximately 35% and will provide dedicated infant and toddler rooms, as well as a staff conference room. The program will continue to serve current and former participants of the

Transitional Housing Program, as well as other low-income families in the community who qualify for CCCAP or other supportive childcare programs, or who pay on a sliding-scale basis.

Based on these adjustments, it is necessary to update the originally proposed scope of work. The proposed project description is provided below:

“The City of Montrose (Grantee) will partner with Haven House to hire a qualified contractor to construct an approximately 4,320-square-foot modular addition to the existing 13,200-square-foot building located at 4806 North River Road in Olathe, Colorado. The scope of work includes construction of a new Early Childhood Education Center. Haven House will own and maintain the completed building addition and all associated improvements, in accordance with CDBG Construction/Renovation standards, and a contractor will be hired to complete the work.”

Thank you for considering this request and please let us know if any additional information is needed.

Sincerely,

Dave Frank, Mayor
City of Montrose



CITY OF MONTROSE

CITY CLERK'S OFFICE

DATE: November 13, 2025
TO: City Council
FROM: Lisa DelPiccolo, City Clerk
Briceida Ortega, Senior Deputy City Clerk
RE: 2026 Municipal Election Plan

In accordance with the City Charter, the 2026 Municipal Election is scheduled for Tuesday, April 7, 2026. The following City Council seats will be included on the 2026 ballot:

- District I - four-year term
- District II - four-year term
- At-Large - two-year term

The procedures and timelines for the 2026 election are unchanged from 2024. Candidate information will be available on the City website on or before Monday, December 8.

The City is planning to contract with the Montrose County Elections Office for production of the ballot packets and tabulation of the election results as in previous years. An election plan and calendar are attached.

Adoption of a resolution authorizing a mail ballot election is requested.



CITY OF MONTROSE 2026 MAIL BALLOT ELECTION PLAN

Date of Election: April 7, 2026

Description of Election: General Municipal Election to Determine City Council Members

Designated Election Official: Lisa DelPiccolo, City Clerk

Statute and Home Rule Charter Provision Authorizing an Election:

- Title 31, Article 10 of the Colorado Revised Statutes
 - Article III, City of Montrose Home Rule Charter
-

NUMBER OF ELIGIBLE ELECTORS

The estimated number of eligible electors is 17,000.

ASSISTANCE PROVIDED BY MONTROSE COUNTY CLERK AND RECORDER

- Generate lists of registered electors
- Prepare ballot packets in accordance with State Statutes
- Mail UOCAVA ballot packets to U.S. Military personnel and citizens living abroad by February 20, 2026
- Mail ballot packets to all registered voters between March 16 and March 23, 2026
- Provide ballot counts and tabulate election results

RESPONSIBILITIES OF THE CITY CLERK

- Issue and collect candidate petitions, verify petition signatures, and send letters of petition sufficiency
- Certify ballot language to the County Clerk by February 4, 2026
- Issue absentee and replacement ballots after the initial mailing of ballot packets and maintain a log of ballots dispersed
- Supervise election judges daily and issue an oath to each before the deadline of March 23, 2026

- Maintain daily receipt and reconciliation records for both voted ballots and ballots returned as undeliverable
- Notify voters of missing and discrepant signatures

BALLOT DEPOSIT LOCATIONS

- A ballot box will be available in the lobby of City Hall, 400 E. Main Street, during office hours, 8:00 a.m. until 6:00 p.m. Monday through Thursday, and 7:00 a.m. until 7:00 p.m. on Election Day. The ballot box will be monitored at all times by two or more election judges and will be locked in the vault overnight.
- A ballot box will be available in the Elections Office of the Montrose County Building, 317 S. Second Street, during office hours, 7:30 a.m. until 5:30 p.m. Monday through Thursday. This ballot box will be monitored by the Elections Office staff and locked in a secure location when the office is closed. City Clerk's Office staff will collect the ballots from this location daily Monday through Thursday.
- Ballots may be deposited in the locked 24-hour drop box with video surveillance located near the entrance of the Montrose County Elections Office at 317 S. Second Street. City Clerk's Office staff will collect the ballots from this location daily Monday through Thursday.

BALLOT SECURITY PROCEDURES

- City Clerk's Office staff and election judges will ensure that returned ballots are batched and continually secured until Election Day.
- The doors to the election office will be locked with keys available only to City Clerk's Office personnel.
- Ballot boxes will be secured with single-use numbered locks. A signed log will be affixed to each locked ballot box indicating the time and date the box is unlocked and resealed.

BALLOT SECRECY PROCEDURES

Each ballot packet will include a secrecy sleeve with voting instructions. Election judges will be instructed that any ballot received outside of a secrecy sleeve will be immediately placed into a secrecy sleeve and any knowledge of the vote shall be kept confidential.

PROCESSING VOTED BALLOTS

- All ballots received will be date stamped on the outer envelope upon receipt via U.S. Mail, or upon removal from an official ballot box.
- Daily receipt records will be maintained for both voted ballots in their verification envelopes and ballots returned as undeliverable.
- Voted ballots will be processed as follows:
 - Voted ballots will be scanned into the database as received before the envelope is opened. An election judge will verify that the number on the ballot envelope matches the number in the database.
 - An election judge will confirm that a signature is present and matches the name on the ballot envelope.
 - An election judge will verify that the signature on the envelope matches the voter's signature on file with the Secretary of State.
 - The return envelopes will be opened and separated from the secrecy sleeve while still containing the voted ballot.
 - A different election judge will remove the ballot from the secrecy sleeve.
 - Any ballot received outside of a secrecy sleeve will be immediately placed into a secrecy sleeve. Election judges will be instructed that any knowledge of the vote shall be kept confidential.
 - Ballots will be stacked in groups of fifty and placed in a transfer case for delivery to the County Elections Office Counting Center. A copy of the daily total sheets will also be included in the transfer cases.
 - Any person whose eligibility cannot be determined will be issued a provisional ballot. Provisional ballots will be verified according to 1-8.5-105, C.R.S.

PROCEDURES FOR UNDELIVERABLE BALLOTS

- The mailing envelope of the ballot packet will be printed with the instruction, "Do Not Forward, Address Correction Requested."
- The outer envelopes will be stamped with the date returned to the City, alphabetized, noted in the poll book, and secured.
- Ballots will not be re-mailed unless requested by the elector.

PROCEDURES FOR REPLACEMENT BALLOTS

- Replacement ballot applications may be made in writing, by mail, by email, or by telephone.
- Voters seeking replacement ballots will be required to complete a sworn statement in compliance with state statute.

- Voters requesting a replacement ballot in person must present an acceptable form of identification identifying the name and address of the elector.
- If an elector requests a replacement ballot by mail, the sworn statement will be included in the ballot packet and must be received by the Election Official, along with a copy of an acceptable form of identification, by 7:00 p.m. on Election Day.
- Both the mailing envelope and return envelope for replacement ballots will be marked with the words "Replacement Ballot."
- If an eligible elector spoils a ballot, the eligible elector may obtain a replacement ballot, with a maximum of three replacement ballots total.
- A log will be kept of all replacement ballots distributed.

PROCEDURES FOR REJECTED BALLOTS

- Ballots rejected for missing or discrepant signatures will be marked "rejected" and kept separate from processed and undeliverable ballots.
- The City Clerk will send a letter notifying the voter of the error. The voter may claim the ballot at City Hall, with proper identification, and correct the error.
- The ballot will then be placed in an official ballot box for processing.

ACCEPTABLE FORMS OF IDENTIFICATION

According to 1-1-104 (19.5) C.R.S.

- A valid Colorado driver's license;
- A valid identification card issued by the Department of Revenue in accordance with the requirements of Part 3 of Article 2 of Title 42, C.R.S.;
- A valid U.S. Passport;
- A valid employee identification card with a photograph of the eligible elector issued by any branch, department, agency, or entity of the United States government or of this state, or by any country, municipality, board, authority, or other political subdivision of this state;
- A valid pilot's license issued by the Federal Aviation Administration or other authorized agency of the United States;
- A valid U.S. Military identification card with a photograph of the eligible elector;
- A copy of a current utility bill, bank statement, government check, paycheck, or other government document that shows the name and address of the elector;
- A valid Medicare or Medicaid card issued by the Centers for Medicare and Medicaid Services;
- A certified copy of a U.S. birth certificate for the elector issued in the United States;
- Certified documentation of naturalization
- A valid student identification card with a photograph of the eligible elector issued by an institute of higher education in Colorado;

- A valid veteran identification card issued by the United States Department of Veterans Affairs Veterans Health Administration with a photograph of the eligible elector;
- A valid identification card issued by a federally recognized tribal government certifying tribal membership;
- Any form of identification listed above that is in digital format

ELECTION RESULTS

- Election judges will process ballots in preparation for counting beginning March 23, 2026.
- Ballots will be counted and tabulated at the Montrose County Elections Office Counting Center.
- On Election Day, staff will be on duty from 7:00 a.m. until all ballots are counted, tabulated, and secured.
- Unofficial results will be posted on the City web site, and posted on the doors of City Hall when tabulation is complete.
- In accordance with state statute, UOCAVA ballots will be accepted via U.S. Mail and rejected ballots with discrepant signatures may be reconciled until April 15, 2026.
- A canvass of votes will be conducted on or before Friday, April 17, 2026.
- Elected City Councilors will take the oath of office on Tuesday, April 21, 2026.

ELECTION CALENDAR

An election calendar is attached.

**CITY OF MONTROSE
MUNICIPAL MAIL BALLOT ELECTION CALENDAR
APRIL 7, 2026**

DECEMBER 2025

- 2 Resolution authorizing a mail ballot election submitted to City Council for adoption
- 8 Candidate Information will be available on the City of Montrose website and at City Hall

JANUARY 2026

- 6 First day candidates may pick up and circulate nomination petitions
- 7 First day absentee ballots may be requested
- 26 Last day to file candidate nomination petitions with the City Clerk
- 30 Last day to file an affidavit of intent to be a write-in candidate

FEBRUARY 2026

- 2 Last day to amend a candidate nomination petition
- 3 Last day for the City Clerk to certify the ballot content
- 20 Last day to mail UOCAVA ballots to active U.S. Military and citizens living abroad

MARCH 2026

- 6 Last day to mail TABOR ballot issue notices (if applicable)
- 6 Last day for County Clerk to provide a preliminary list of registered voters
- 15 Fair Campaign Practices Act filing deadline
- 16 Ballot packets must be available at the election official's office
- 16-23 Ballot packets must be mailed during this timeframe
- 18 Website TABOR notice deadline (if applicable)

- 18 Last day for County Clerk to provide a supplemental voter registration list
- 23 Last day to mail a ballot package
- 23 Last day for the election official to appoint election judges
- 23 Processing of mail ballots may begin
- 28 Last day for the election official to publish a notice of election

APRIL 2026

- 1 Fair Campaign Practices Act Filing Deadline
- 3 Last day to apply for absentee ballot
- 7 **ELECTION DAY** - Unofficial results announced and posted after 7 pm
- 15 Last day to count UOCAVA ballots received by mail and resolve discrepant signatures
- 17 Last day a recount may be requested
- 17 Deadline for Canvass of Votes
- 22 Optional and mandatory recounts must be completed

MAY 2026

- 5 Fair Campaign Practices Act filing deadline

RESOLUTION NO. 2025 -

A RESOLUTION AUTHORIZING THE CONDUCT OF A MAIL BALLOT ELECTION FOR THE CITY OF MONTROSE GENERAL MUNICIPAL ELECTION OF APRIL 7, 2026

WHEREAS, pursuant to the requirements of the City of Montrose Charter, a general municipal election for the City of Montrose is to be conducted on April 7, 2026; and

WHEREAS, the General Assembly of the State of Colorado has enacted provisions, Colorado Revised Statute Sections 1-7.5-104 and 31-10-908, for the governing board of any political subdivision may determine that an election may be held by mail ballot; and

WHEREAS, the City Council of the City of Montrose desires that the registered electors of the City of Montrose have the opportunity to vote by mail in said election.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MONTROSE AS FOLLOWS:

Section 1. Authorization of a mail ballot election for the April 7, 2026, General Municipal Election. The Montrose City Clerk is authorized and directed to conduct a mail ballot election in accordance with Colorado Revised Statutes, Title 31, Article 10 and applicable City ordinances and regulations.

Section 2. Adoption of the Mail Ballot Election Provision of the Municipal Election Code for the April 7, 2026, General Municipal Election. The City of Montrose hereby adopts the mail ballot election provisions of the Municipal Election Code (C.R.S., Title 31-10-908 through 31-10-913) pertaining to mail ballot elections for the conduct of the April 7, 2026, General Municipal Election. In the event a procedure for the election is not provided for in the Mail Ballot Election Act, the City shall comply with the applicable provisions of Title 1 C.R.S., and applicable City ordinances and regulations.

ADOPTED this 2nd day of December, 2025, by the Montrose City Council.

CITY OF MONTROSE, COLORADO

Dave Frank, Mayor

ATTEST:

Lisa DelPiccolo, City Clerk

ORDINANCE NO. 2698

AN ORDINANCE OF THE CITY OF MONTROSE, COLORADO, AMENDING ORDINANCE NO. 2674 WHICH APPROPRIATED FUNDS FOR DEFRAYING THE EXPENSES AND LIABILITIES OF THE CITY OF MONTROSE, COLORADO DURING THE FISCAL YEAR BEGINNING JANUARY 1, 2025; SAID EXPENDITURES OF THE CITY OF MONTROSE OVER AND ABOVE THOSE ANTICIPATED AT THE TIME OF THE ADOPTION OF THE ORIGINAL BUDGET FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2025.

WHEREAS these additional appropriations are deemed necessary for the public health, peace, or safety of the city's residents.

WHEREAS the funds below have either additional revenues or a fund balance to cover these additional expenses.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MONTROSE, COLORADO, AS FOLLOWS:

Section 1: The amounts appropriated for the following funds by Section 1 of Ordinance No. 2674 are hereby amended to read according to the column entitled "Final Budget", below:

Fund#	Fund Title	Final Budget
100	General Fund	40,479,181
150	Public Safety Fund	17,588,748
260	Montrose URA	22,500
290	Tourism Promotional Fund	1,135,645
370	General Debt Service	3,427,843
420	Cemetery Perpetual Care Fund	5,430
440	Special Improvements Fund	1,527
465	Capital Infrastructure Fund	35,900,000
500	Water Fund	10,503,024
600	Internal Service Fund	10,196,566
610	Medical and Dental Self Insurance Fund	3,954,605

Please take note that Montrose City Council will hold a hearing upon the above Ordinance and on the question of its adoption on first reading on Tuesday, the 18th day of November 2025, at the hour of 6:00 p.m. in the City Council Chambers at 107 S. Cascade.

INTRODUCED, READ, and PASSED on first reading this 18th day of November 2025.

Dave Frank, Mayor

Attest:

Lisa DelPiccolo, City Clerk

INTRODUCED, READ, AND ADOPTED on second reading this 2nd day of December 2025.

Dave Frank, Mayor

Attest:

Lisa DelPiccolo, City Clerk

Backup for Ordinance # 2698 which appropriates additional funds and supplements the original appropriating Ordinance # 2674

A supplemental budget is necessary to appropriate funds for projects, grants, and other unanticipated expenditures that occurred during the fiscal year which are deemed necessary for the public health, peace or safety of the city's residents.

Fund #	Fund Name	Original Budget Ordinance 2674	Final Budget Ordinance 2698	Difference	Funded by Grants or other sources	Explanation
100	GENERAL FUND	\$ 38,638,083	\$ 40,479,181	\$ 1,841,098	\$ 96,000	Real Property purchases; Economic Incentives; Public Defenders for Municipal Court; vehicles ordered in previous years were received and Year 2 funding for the CMU endowment
150	PUBLIC SAFETY FUND	\$ 17,505,720	\$ 17,588,748	\$ 83,028		Axon Fusus Camera Bundle
260	MONTROSE URA	\$ -	\$ 22,500	\$ 22,500	\$ -	Fees to Montrose County for collection of the tax increment for MURA
290	TOURISM PROMOTIONAL FUND	\$ 910,293	\$ 1,135,645	\$ 225,352	\$ -	Increased marketing efforts for community events, Increase to the cost of fireworks and the purchase of DreamCO software.
370	GENERAL DEBT SERVICE	\$ 1,531,251	\$ 3,427,843	\$ 1,896,592		Addition of the debt service on the public works new facility
420	CEMETERY PERPETUAL CARE FUND	\$ 2,700	\$ 5,430	\$ 2,730		Additional Interest Earned that is transferred to the General Fund
440	SPECIAL IMPROVEMENTS FUND	\$ -	\$ 1,527	\$ 1,527		Fees to Montrose County for collection of the Riverwood and Otter Pond Improvement District payments
465	CAPITAL INFRASTRUCTURE FUND	\$ 13,900,000	\$ 35,900,000	\$ 22,000,000	\$ 22,000,000	Construction on the new public works facility
500	WATER FUND	\$ 9,913,522	\$ 10,503,024	\$ 589,502	\$ 730,000	6600 Road water line interconnect project - Grant funded by DOLA
600	INTERNAL SERVICE FUNDS	\$ 9,287,643	\$ 10,196,566	\$ 908,923		Vehicles received from previous budgeted years
610	HEALTH & DENTAL MGMT FUND	\$ 3,388,761	\$ 3,954,605	\$ 565,844		Increase in premiums due to more participants on the Health, Dental and Vision insurance