



CITY COUNCIL WORK SESSION
Monday, July 6, 2026 - 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](#).

Public comment will be accepted on topics listed under “Discussion Items.” Please note that no formal action will be taken on the matters raised during this time. Comments made during this time should be addressed to the Council and pertain to the agenda item on which the comment is made. City Council or City staff may respond or engage in discussion should the comment provoke discussion. Please refrain from any personal attacks and disagreements, personnel and employment matters, the use of profanity or ethnic, racial, or gender-oriented slurs as they may be considered “disorderly conduct” which violates state or local law.

Hearing assistance devices are available for public use. Please let us know if you need accommodation. Spanish interpretation may be provided upon request, subject to availability. Please email the City at least three days in advance to coordinate this service.

1) DISCUSSION ITEMS

- A) The Hub at Montrose Crossing Potential Development Support (20 minutes)
Staff: City Manager Bill Bell and City Engineer Scott Murphy
- B) 2026 Annual Colorado Flights Alliance Contribution (20 minutes)
Staff: City Manager Bill Bell
- C) Update to Title 11 of the Montrose Municipal Code (Land Development Regulations) Specific to Temporary Workforce Housing (15 minutes)
Staff: Community Development Director Jace Hochwalt
- D) Google Work Space Expense Authorization (10 minutes)
Staff: Information Systems Director Greg Story
- E) 2026 Streetlight Upgrade and Replacement Recommendation (10 minutes)
Staff: Public Works Operations Manager Nikolas Pridy



F) Pavilion Design (Phase 1) Contract Award Recommendation (10 minutes)
Staff: Public Works Director Jim Scheid

G) Hillcrest Sidewalk Replacement Construction Contract Award Recommendation
(10 minutes)
Staff: City Engineer Scott Murphy

2) **GENERAL CITY COUNCIL DISCUSSION**

3) **STAFF REPORTS**

A) Montrose Police Department Update

MEMORANDUM



TO: Honorable Mayor and Members of the City Council
FROM: William Bell, *City Manager*
Scott Murphy, *City Engineer*
DATE: June 30, 2026
RE: Hub at Montrose Crossing Potential Development Support

Action

Discuss potential development support associated with the 160-unit Hub at Montrose Crossing market rate apartment project to be located at the intersection of Cobble Drive and 6450 Road.

Project History

In response to rising housing needs in the community, 1890 Homestead, LLC started to evaluate and develop preliminary plans for a multi-family residential housing complex in 2019. Through this process, they developed a plan for the Hub at Montrose Crossing (formerly 1890 Homestead) to be situated near the intersection of 6450 Road and Cobble Drive within the City of Montrose. The project was first discussed with City Council at a work session in late 2020 when the project was initially envisioned to include a single senior living facility and approximately 21 separate two-story apartment buildings dispersed throughout the site with green space and pedestrian trails in between. At the 2020 work session discussion, fee waivers and infrastructure support from the City with a value of up to \$2.3M were discussed to help facilitate the first phase of the project (192 apartment units) and, in doing so, help to meet the community's housing needs. The City then went on to budget for this assistance in the City's 2021 budget.

Following the 2020 work session discussions, the developer continued to refine plans for their project and initially presented a sketch plan and planned development (PD) to the City Planning Commission for consideration in December of 2020. The project was presented as a PD plan (as required by our code at the time) in order to allow for the placement of multiple separate residential structures on a single lot. Planning commission meetings for the project ultimately extended into February of 2021 when the planning commission recommended approval of the PD plan but with a density restriction of no more than seven units per acre. It should be noted that the City does have the legal purview to place conditions on a planned development (versus a straight subdivision process where land uses are prescriptive by right through our zoning and development codes).

The density restriction recommended by the Planning Commission was substantially lower than necessary to accommodate the project as planned by the developer and was less than the density that could be achieved by completion of the project through a straight subdivision process. As a result, the developer elected to redesign their project to include a single 160 unit apartment building on a single lot that was created through a standard minor subdivision process. Site development plans and the minor subdivision for this application were then developed, submitted, and approved in late 2021. An overview of the project planned for construction is included as Attachment A.

In support of the 160-unit apartment complex, the City entered into a development agreement offering approximately \$400k in fee waivers and \$1.4M in utility fee and public infrastructure reimbursements for

the project. The initial development agreement was entered into in the fall of 2021, was extended in the fall of 2022, and at the time was planned to be funded through the City's general fund with assistance from federal American Rescue Plan Act (ARPA) dollars.

The amended development agreement for the project required that the building permit be pulled to start construction by August 1, 2023. Although the project plans were complete, a building permit was not pulled for the project and the development agreement was left to expire. This was due primarily to challenges facing the project relating to high interest rates and elevated construction costs which were continually increasing over this time period.

Despite the project's financial headwinds, the developer continued to work with the United States Department of Housing and Urban Development (HUD) on project financing and continued to refine the project's design and costs to make the project viable. As of summer 2026, we understand the project is now ready to go to construction pending support/partnership with the City.

Potential Development Support

Included in Table 1 below is a summary of potential ways the City of Montrose could support development of the Hub at Montrose Crossing apartment project with descriptions of each item following the table. These items are those typically utilized in support of housing or economic development projects and would be formalized through an agreement with the developer which would outline the conditions and timelines associated with any City participation in the project.

TABLE 1
Summary of Potential City Contributions

Work Element	Fee Waiver	Utility Connection Fees	Public Infrastructure Capital Expenditures
Permit Fee	\$103,779	-	-
Plan Check Fee	\$67,456	-	-
City Construction Use Tax	\$418,429	-	-
Water Tap, Capacity, and Unit Connection Fees	-	\$264,697	-
Sanitary Sewer Tap, Capacity, and Unit Connection Fees	-	\$867,945	-
Public Water Infrastructure	-	-	\$416,000
Public Sanitary Sewer Infrastructure	-	-	\$452,000
Public Frontage Improvements	-	-	\$139,000
TOTALS	\$589,664	\$1,132,642	\$1,007,000

- **Fee Waivers.** Fee waivers are administrative fees associated with the building permit that can be waived under authority of the City Manager's office. It is common practice that the permit fee, plan check fee, and City construction use tax are waived on multi-family housing and commercial development projects given their housing and economic benefit to our community. It should be noted that some elements of the building permit fees (public safety sales tax, County construction use tax, Rec District sales tax, and school land fee) cannot be waived and are still collected as part of the building permit process.
- **Utility Connection Fees.** The water and sewer utility connection fees cover tap, capacity fees, and unit charges for the project. There are two ways the City Council can approach this type of assistance: Option A, which has been our historic practice, is for any utility-related assistance to come through an approval of the City Council and the funding is transferred from the city's general fund into the appropriate utility fund to cover the utility's costs. Option B is for any utility-related assistance to come through an approval of the City Council and the funding comes directly from the appropriate water or sewer fund directly.
- **Public Infrastructure.** The project includes public infrastructure elements to include sewer mainline extensions, water mainline extensions, and the construction of curb, gutter, and sidewalk along the project's 6450 and Cobble Drive Frontages. These work elements are highlighted in the drawings included as Attachment A and costs presented in Table 1 were developed by the City's engineering department in late 2025. If approved in support of the apartment project, these work elements would generally be performed by the developer's contractor and reimbursed up to the amounts presented following completion and acceptance of the work.

Contract Administration and Project Financials

Contract administration, project management, and inspection associated with any potential development support/incentives would be performed by the City of Montrose engineering department.

Except for general fee waivers, any utility connection fees, utility costs, or public infrastructure capital expenditures would need to be formally budgeted in the 2027 and/or 2028 budget(s). Funding sources for each potential work element are summarized below:

- Fee Waivers: N/A – waived at time of building permit and already approved by City Manager
- Utility Connection Fees: General, water, and/or sewer funds
- Public Water Infrastructure: Water capital fund
- Public Sewer Infrastructure: Sewer capital fund
- Public Frontage Improvements: General capital fund

ATTACHMENT A
PROJECT AND UTILITY OVERVIEW DRAWINGS

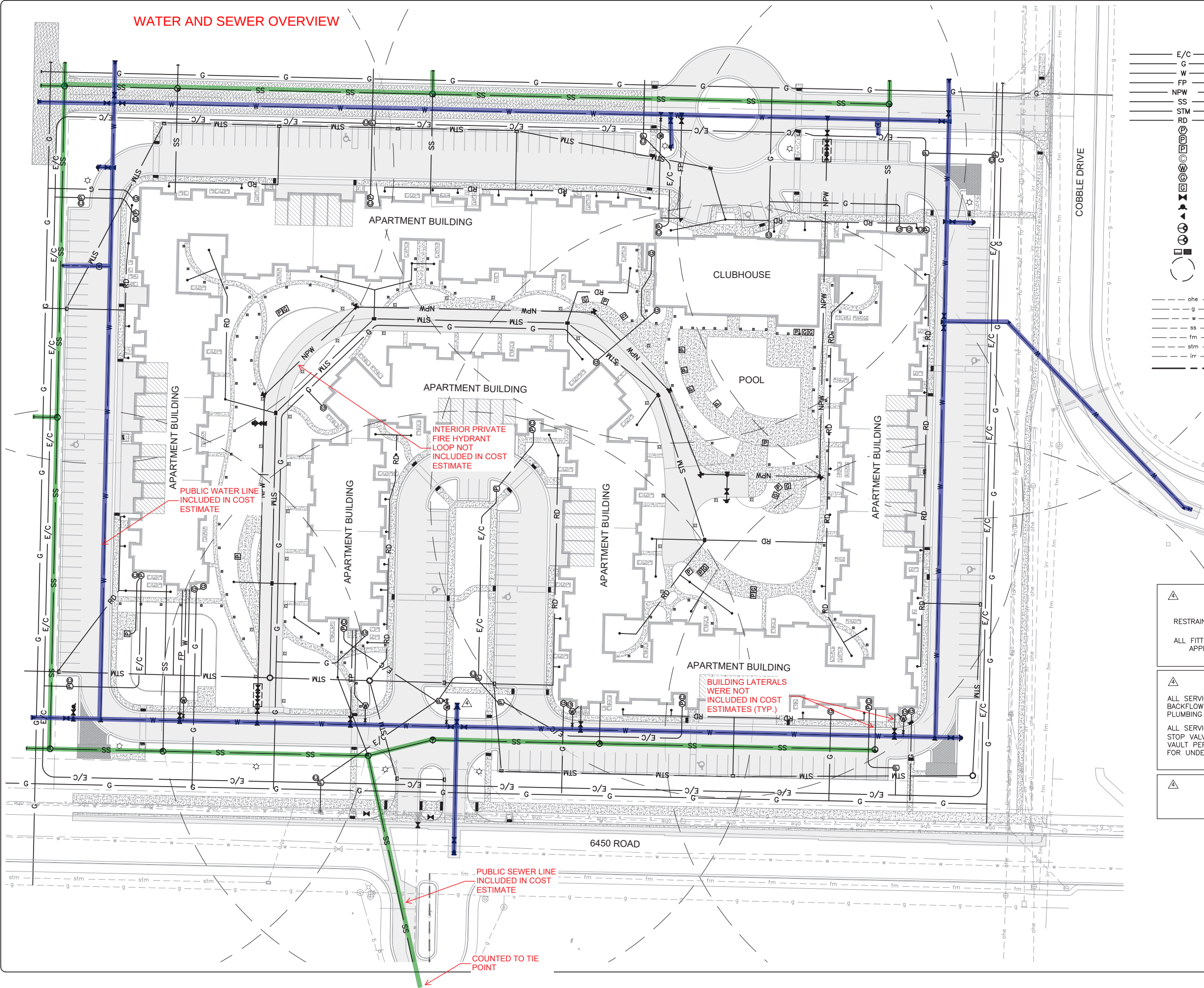


THE
HUB
AT MONTROSE CROSSING



PLOTTED BY PETER, FILE PATH & NAME: \\UMS14\PROJECTS\ACTIVE PROJECTS\121072\LEADERSHIP CIRCLE THE HUB DEVELOPMENT\121072C_PIPES.DWG, PLOT DATE = 10/17/2024 12:38 PM

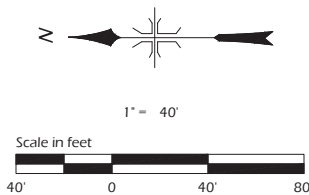
WATER AND SEWER OVERVIEW



LEGEND

- | | |
|-------|---|
| E/C | PROPOSED ELECTRIC/COMMUNICATION LINES |
| G | PROPOSED GAS LINE |
| W | PROPOSED WATER LINE |
| FP | PROPOSED FIRE PROTECTION LINE |
| NPW | PROPOSED NON-POTABLE PRIVATE WATER LINE |
| SS | PROPOSED SEWER LINE |
| STM | PROPOSED STORM SEWER LINE |
| RD | PROPOSED ROOF/AREA DRAIN LINE |
| PM | PROPOSED POWER METER/PANEL |
| PE | PROPOSED POWER EQUIPMENT |
| PP | PROPOSED POWER PEDESTAL |
| CE | PROPOSED COMMUNICATION EQUIPMENT |
| WM | PROPOSED WATER METER |
| GM | PROPOSED GAS METER |
| F | PROPOSED FIXTURE |
| V | PROPOSED WATER VALVE |
| H | PROPOSED FIRE HYDRANT |
| TB | PROPOSED THRUST BLOCK |
| SM | PROPOSED SANITARY SEWER MANHOLE |
| SMH | PROPOSED STORM SEWER MANHOLE |
| SI | PROPOSED STORM INLET |
| R | PROPOSED 250' RADIUS FIRE HYDRANT REACH |
| ohe | EXISTING OVERHEAD POWER LINE |
| g | EXISTING GAS LINE |
| w | EXISTING WATER LINE |
| ss | EXISTING SEWER LINE |
| fm | EXISTING FORCE MAIN LINE |
| stm | EXISTING STORM SEWER LINE |
| irr | EXISTING IRRIGATION LINE |
| - - - | LOT LINE |

- WATER LINE FITTINGS**
- ALL BENDS TO BE MADE WITH:
RESTRAINED JOINT, EPOXY COATED, DUCTILE IRON FITTINGS.
- ALL FITTING FOR FIRE PROTECTION LINES SHALL BE UL/FM
APPROVED FOR USE IN FIRE PROTECTION SYSTEMS
- WATER LINE SERVICES**
- ALL SERVICES SHALL INCLUDE REDUCED PRESSURE ZONE
BACKFLOW PREVENTION ON THE LINE PER APPLICABLE
PLUMBING AND BUILDING CODES.
- ALL SERVICES SHALL CONSIST OF A 2" TAP SADDLE, 2" CURB
STOP VALVE, 2" HDPE PURE CORE PIPE, AND 2" METER &
VAULT PER CITY OF MONTROSE DETAIL W-05 AND SPECIFIED
FOR UNDERGROUND WATER SERVICE USE.
- FIRE DEPARTMENT NOTE**
- ALL HYDRANTS SHALL BE OPERATIONAL
PRIOR TO BUILDING CONSTRUCTION.



SUBMITTAL SET

DWS	11/4/21	BIDDING QUESTIONS	DEL-MONT CONSULTANTS, INC.	DWS	2021-09-28
DWS	10/16/24	CITY & MFD COMMENTS	ENGINEERING & SURVEYING	DWS	
			123 Colorado Ave. Montrose, CO 81401 T: (970) 342-2251 F: (970) 342-2252 FAX		
			www.delmont.com		
			DESIGNED BY:	AS NOTED	
			SCALE:	PJ/TMC	
			DATE ISSUED:	PJ/TMC	
			2024C PIPE LAYOUT		
			FILE NAME:		
			DATE:		
			NO		
			REVISIONS		
			BY		

LEADERSHIP CIRCLE, LLC
THE HUB AT MONTROSE CROSSING
MONTROSE, COLORADO

UTILITY OVERVIEW

DWC JOB NO.: 21072

SHEET NO.: C4-1

53 SHEETS

The diagram illustrates a street layout with a vehicle's swept path. Key features include:

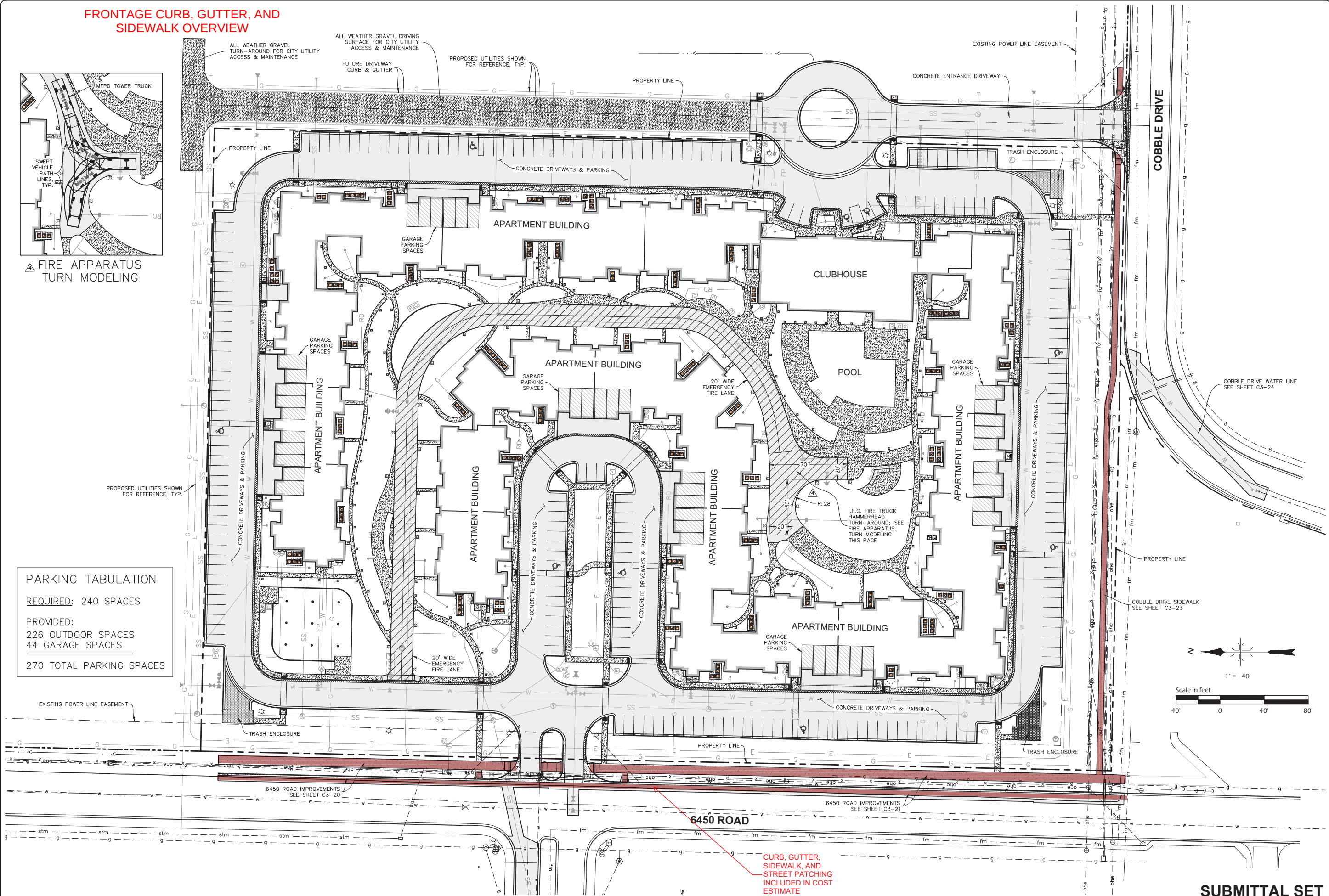
- MFPD TOWER TRUCK:** Located at the top of the diagram, near a building.
- SWEEPED VEHICLE PATH LINES, TYP.:** Indicated by arrows and lines showing the vehicle's path and the area it sweeps.
- Road (RD):** A curved road segment is shown on the right side of the diagram.
- Building:** A building is located at the bottom left of the diagram.

PARKING TABULATION

REQUIRED: 240 SPACES

PROVIDED:
226 OUTDOOR SPACES
44 GARAGE SPACES

270 TOTAL PARKING SPACES



SUBMITTAL SET

BIDDING QUESTIONS		DWS
11/4/21	CITY & MFPD COMMENTS	DWS
		
		
NO	DATE	BY
REVISIONS		

DMC	DEL-MONT CONSULTANTS, INC. ENGINEERING • DESIGN • CONSTRUCTION • ENVIRONMENTAL 100 GARDEN AVENUE SUITE 800 NEWTON, MA 02459-1070 TEL: 617-552-2200 FAX: 617-552-2201 www.del-mont.com * see logo at del-mont.com					
DESIGNED BY:	P/J/T/M/C	TOTAL:	AS NOTED	CHECKED BY:	DWS	
DRAWN BY:	P/J/T/M/C	FILE NAME:	210PC JAME DWS	DATE ISSUED:	2021-09-28	

LEADERSHIP CIRCLE, LLC
THE HUB AT MONTROSE CROSSING
MONTROSE, COLORADO

HORIZONTAL OVERVIEW

DMC JOB NO.:
21072

SHEET NO.:
C2-1

OF 53 SHEETS

MEMO



To: Honorable Mayor and Members of the City Council
From: City Manager's Office
Date: July 6, 2026
Re: 2026 Annual Colorado Flights Alliance Contribution
Attachments: None

Action

Consider the approval of the City's annual contribution to the Colorado Flights Alliance (CFA). The contribution of \$300,000 is included in the City's 2026 budget. The amount exceeds the City Manager's \$50,000 maximum spending authority and requires Council approval.

Background

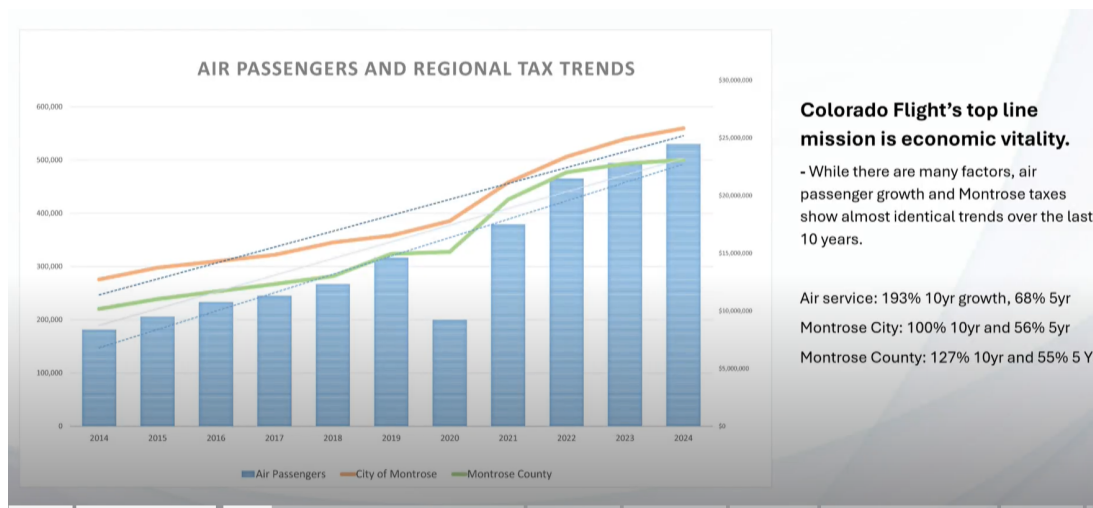
CFA supports economic sustainability and vitality on Colorado's western slope through air service development and corresponding programs. CFA CEO Matt Skinner attended the November 17, 2025 City Council work session to share information with City Council regarding CFA's operations and economic impacts. The [video of the work session](#) is available on the City of Montrose Public Meetings Portal for additional information.

CFA currently partners with multiple major and regional airlines to secure non-stop service and connections worldwide to Montrose Regional Airport and Telluride Regional Airport, providing some of the most comprehensive air service in western Colorado.

The City of Montrose has financially contributed to the Colorado Flights Alliance for over 10 years to secure flights to the Montrose Regional Airport that otherwise would not exist without support from CFA. These flights contribute significantly to our local economy and also benefit local citizens who make use of the expanded flight options.

Economic Impacts

CFA research and data collection has shown that increased air traffic at Montrose Regional Airport correlates with increased tax collections in the City of Montrose. The image below was presented to the City Council on November 17, 2025.



CFA research and data collection has shown that in 2024, regional air services drove \$235 million in tourism economic impact in Montrose County (including the City of Montrose) and supported over 1400 jobs.



Impact Type (total effects)	Sum Total	County of Impact			Montrose Share
		Montrose	Ouray	San Miguel	
2024 economic impacts:					
Jobs attributable to tourism (2024)	9,062	3,244	1,520	4,297	36%
Jobs attributable to airline flights to MTJ & TEX	4,502	1,427	411	2,664	32%
Jobs attributable to drive / other modes	4,559	1,817	1,110	1,633	40%
Output attributable to tourism (\$ million) (2024)	\$1,449	\$461	\$201	\$787	32%
Output attributable to airline flights to MTJ & TEX (\$ million)	\$774	\$235	\$74	\$464	30%
Output attributable to drive / other modes (\$ million)	\$675	\$226	\$127	\$323	33%

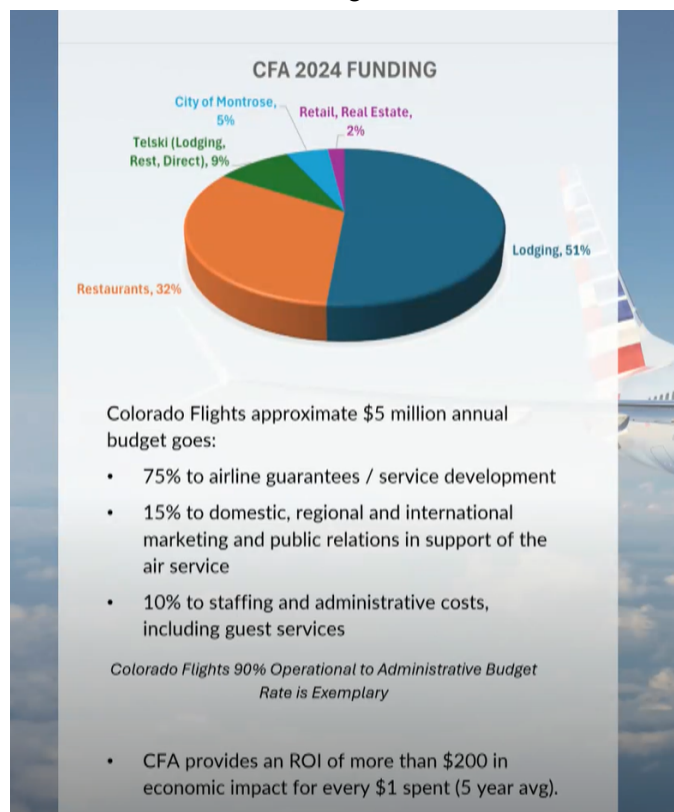
- In a 2024 draft update to the Regional Tourism Study by RRC – CU Leeds School of Business Study, air service drives \$235 million in tourism economic impact and supports 1400+ jobs in Montrose County/City.
- Montrose City/County receives 30%+ of the total direct and indirect impacts.
- 2024 Update: *It's likely that the share of tourism employment and output attributable to MTJ/TEX flights has increased in proportionate terms to the growth since 2018.*

Summary of City Contributions and CFA Funding Sources

The City's contributions to CFA over the last 5 years are listed below.

2020: \$275,000
 2021: \$275,000
 2022: \$300,000
 2023: \$300,000
 2024: \$300,000
 2025: \$300,000

CFA funding comes from a variety of sources across the region, including lodging and restaurants, local governments, retailers, real estate, transportation, private businesses and individuals. The image below shows the composition of CFA's 2024 funding and was presented to City Council on November 17, 2025. In 2024, the City of Montrose's contributions comprised 5% of CFA's overall funding.



Fiscal Impact

The 2026 \$300,000 contribution is budgeted, with \$175,000 coming from the Economic Development and Community Programming budget within the General Fund, \$25,000 from the Retail Sales Enhancement Fund, and \$100,000 from the Tourism Promotion Fund.

MEMO



To: Honorable Mayor and Members of the City Council
From: Jace Hochwalt, Community Development Director
Date: July 6, 2026
Re: Update to Title 11 of the Montrose Municipal Code (Land Development Regulations)
Specific to Temporary Workforce Housing

Action

Consider the approval to amend Title 11 of the City of Montrose Municipal Code to establish a definition, zoning parameters, and review standards for temporary workforce housing to provide a clear and consistent regulatory framework for its approval and placement.

Background

The City of Montrose Municipal Code currently does not include a defined land use category or regulatory framework for temporary workforce housing. As a result, there is limited clarity regarding where such facilities may be located or how they should be reviewed and approved. The purpose of this item is to amend Title 11 – Land Development Regulations to formally incorporate temporary workforce housing into the Municipal Code by establishing a clear definition, identifying appropriate zoning districts, and outlining specific standards and procedural requirements. These amendments are intended to provide a consistent, transparent, and enforceable approach for evaluating temporary workforce housing proposals while ensuring alignment with the City's zoning intent and community objectives.

In order to incorporate a new land use into Title 11 of the Montrose Municipal Code, several coordinated steps are required to ensure the regulations are comprehensive and internally consistent. Staff has identified the following three-step process to achieve this for temporary workforce housing:

1. Add a definition for "Temporary Workforce Housing" to [Chapter 11-15 - Definitions](#).
2. Establish use-specific criteria for "Temporary Workforce Housing" within [Chapter 11-11 - Supplementary Uses](#).
3. Incorporate "Temporary Workforce Housing" to [Section 11-7-6 - Use Table](#) to clearly identify the zoning district(s) where the use is permitted.

Step One – Define the use:

The first step in incorporating Temporary Workforce Housing into the Municipal Code is to establish a clear definition. The proposed definition was developed after reviewing definitions and regulatory approaches used by other jurisdictions.

Chapter 11-15 – Definitions

Temporary Workforce Housing - A residential use providing temporary housing accommodations for individuals employed in temporary, seasonal, or project-based work assignments, where occupancy is tied to employment duration and does not constitute permanent residency.

In addition to defining Temporary Workforce Housing, a definition for "Sleeping Unit" is needed because the term is referenced in the use-specific standards below. The following definition is proposed:

Sleeping Unit - A room or space within a Temporary Workforce Housing development designed for overnight occupancy by one or more persons without cooking facilities. A Sleeping Unit is not a dwelling unit. Occupants may rely on shared kitchen, dining, bathing, laundry, and other common facilities.

Step Two – Define the use-specific criteria/procedural requirements:

Several uses within the Municipal Code are subject to use-specific standards, including group homes, accessory dwelling units, manufactured home parks, travel home (RV) parks, and unhoused shelters. Following detailed staff discussion, it was determined that incorporating use-specific standards is appropriate to ensure clear and consistent criteria are established prior to approval of temporary workforce housing developments. The proposed standards and procedural requirements are outlined below.

Section 11-11-8. – Temporary Workforce Housing

Temporary Workforce Housing, as defined in Chapter 11-15-2, shall comply with the following standards:

- A. Applications for Temporary Workforce Housing shall be reviewed through the Site Development Plan – Major Development process in accordance with Section 11-8-1(C).
- B. Approval of Temporary Workforce Housing shall not exceed two (2) years. One (1) administrative extension of up to one (1) additional year may be approved by the City Manager upon demonstration of continued need and compliance with all applicable conditions of approval.
- C. Occupancy shall be limited to persons employed in seasonal, temporary, or project-based employment activities, and their immediate family members where permitted.
- D. Residential density shall not exceed the maximum number of dwelling units permitted within the underlying zoning district, as determined by the parcel size and applicable multifamily residential density standards. For Temporary Workforce Housing, the number of approved sleeping units shall establish site density and shall not exceed the equivalent dwelling unit density permitted in the zoning district.

- E. All developments shall be connected to municipal water, wastewater, and sanitary sewer utilities. Off-street parking areas and internal drive aisles may be constructed of gravel or other all-weather surfaces approved by the City Engineer and the Montrose Fire Protection District. A minimum of 0.75 off-street parking spaces shall be provided per sleeping unit.
- F. Landscaping and irrigation standards otherwise applicable to multifamily or commercial development shall not apply; however, landscaping, irrigation, fencing, or a combination thereof may be required as a condition of approval for buffering, screening, erosion control, security, public safety, or other site-specific mitigation purposes.
- G. The application shall include an operational and management plan identifying maximum occupancy (based on sleeping units), parking management, waste collection procedures, cleaning plans for community facilities, on-site management contact information, quiet hours, and procedures for maintaining compliance with this section. Adequate areas for employee pick-up, drop-off, and shuttle operations shall be provided where determined necessary by the City.
- H. Common kitchen, dining, restroom, bathing, laundry, and recreation facilities may be provided to serve the approved occupancy.
- I. All structures and facilities shall comply with applicable building, fire, health, and safety regulations and shall be designed and maintained to present a cohesive and orderly appearance compatible with surrounding land uses. Modular units not installed on continuous, fully enclosed CMU block or other permanent foundations shall be skirted. CMU piers or similar support systems shall be considered non-permanent foundations and shall also require skirting. Exterior lighting shall comply with Chapter 11-9 – Outdoor Lighting and shall be fully shielded and directed away from adjacent properties and public rights-of-way.
- J. A Temporary Workforce Housing use may be revoked by the City Manager upon reasonable notice to the applicant for violation of this section, any condition of approval, or any applicable law, ordinance, or regulation. Upon expiration, termination, or revocation of the use, all temporary housing units shall be removed from the site within a time period established by the City Manager unless otherwise approved through a separate land use approval.
- K. Prior to approval of a Temporary Workforce Housing application, the applicant shall provide an estimate of the costs associated with the removal and disposal of all temporary housing units, accessory structures, utilities, and related site improvements. The City Manager may require the applicant to establish a financial security, in a form acceptable to the City Manager, in an amount sufficient to ensure completion of such removal and disposal. A separate financial security shall not be required where the City Manager determines that adequate security for removal and disposal has already been provided through a lease agreement, development agreement, performance bond, letter of credit, or other comparable instrument, subject to approval by the City Manager.

Step 3 – Incorporate the use within the use table

Once the use, associated use-specific standards, and procedural requirements are established, the use must be incorporated into the Use Table in Section 11-7-6 to clearly identify where it is permitted.

Following staff discussion, it was determined that the most appropriate zoning district for Temporary Workforce Housing is the I-1 (Light Industrial) District. Temporary Workforce Housing is intended to accommodate employees engaged in seasonal, temporary, or project-based employment, much of which is associated with industrial, construction, manufacturing, utility, and similar employment sectors.

The I-1 District also provides characteristics that are well suited for this type of development. Industrial-zoned properties are generally larger and better able to accommodate temporary housing units, shared facilities, parking, and internal circulation while maintaining appropriate setbacks and buffering. In contrast, locating Temporary Workforce Housing within established residential neighborhoods could create compatibility concerns due to its temporary nature and operational characteristics.

Lastly, requiring Temporary Workforce Housing to locate within the I-1 District ensures that the use remains closely tied to employment-generating areas rather than functioning as a form of conventional residential development. This approach supports local and regional employers by providing housing options for workers needed to complete seasonal and project-based work while allowing those employees to reside within the community during their employment. As a result, workers are more likely to purchase goods, meals, fuel, and other services locally, generating additional sales tax revenue that benefits the City. Combined with the proposed use-specific standards, this approach provides a balanced framework that addresses temporary workforce housing needs, supports economic development, protects the character of surrounding neighborhoods, and ensures compatibility with adjacent land uses.

Land Use	OR	P	B-1	B-2	B-2A	B-3	B-4	I-1	I-2
RESIDENTIAL USES									
<u>Temporary Workforce Housing (See Section 11-11-8)</u>								P	
Legend: Zoning District					Legend: Use Type				
OR: Office-Residential					P: Permitted Use				
P: Public					C: Conditional Use				
B-1: Central Business					A: Accessory Use				
B-2: Highway Commercial					T: Temporary Use				
B-2A: Regional Commercial									

B-3: General Commercial	Note: Any uses not listed in a zone district are prohibited—see Sec. 11-7-6(F)(1).
B-4: Neighborhood Shopping	
I-1: Light Industrial	
I-2: General Industrial	

Fiscal Impact

The proposed amendments to Title 11 are not expected to have a direct fiscal impact on the City; however, they may generate indirect economic benefits over time by supporting workforce availability for local and regional employers and contributing to increased local spending and associated sales tax revenues. Any administrative costs associated with application review and enforcement are anticipated to be absorbed within existing staff resources and development review processes.

Conclusion

The proposed amendments establish a comprehensive regulatory framework for Temporary Workforce Housing within the Montrose Municipal Code by defining the use, adopting use-specific standards and procedural requirements, and identifying the I-1 (Light Industrial) District as the appropriate location for this type of development. Collectively, these amendments provide a clear and predictable review process while ensuring that Temporary Workforce Housing remains temporary in nature, is appropriately managed, and is compatible with surrounding land uses.

The proposed regulations also position the City to better accommodate the workforce needs of local and regional employers without creating unintended impacts on established residential neighborhoods. By providing temporary housing opportunities near employment centers, the City can support economic development, improve housing availability for seasonal and project-based workers, and capture additional local spending that contributes to sales tax revenue.

Overall, the proposed code amendments balance the needs of employers, workers, neighboring properties, and the community by creating a transparent regulatory framework that can be consistently administered as future applications are received.

PURCHASE AUTHORIZATION

TO: City Council
CC: William Bell, Ann Morgenthaler
FROM: Greg Story, IS Director
DATE: 7.6.2026
SUBJECT: Google Workspace license



Action Requested

It is requested that the City Council consider the authorization of a purchase for Google Workspace Enterprise software licenses. The total expenditure is \$54,432.00, to be procured through the Statewide Internet Portal Authority (SIPA).

Background

Google Workspace provides essential business collaboration and productivity tools, including Gmail, Calendar, Meet, Chat, Drive, Docs, and Sheets. Through SIPA, the City has secured a discounted annual rate of \$170.10 per user. This purchase covers a total of 320 users, partitioned into 225 City staff members and 95 Police Department personnel. There are a few types of users that have received Google Workspace licenses. One type is Admin profiles. These profiles are used for back office operations, like help desk tickets, info email addresses and the like. Staff are just that, City or PD staff. Also, WestCO profiles are included under our license count.

Admin	27
Staff	266
WestCO	23
Total Assigned	316
Total Unassigned	4

Financial Impact

Funding for this procurement was formally allocated within the 2026 fiscal year budget, which received Council approval in November 2025.

Statewide Internet Portal Authority (SIPA)

Company Address	950 S. Cherry St. Suite 900 Denver, CO 80246 US	Created Date	6/18/2026
		Expiration Date	8/27/2026
		Quote Number	00006214
Prepared By	Sarah Fischer	Contact Name	Greg Story
Phone	(720) 615-3965	Phone	(970) 240-1424
Email	sarah@cosipa.gov	Email	gstory@cityofmontrose.org
Bill To Name	City of Montrose	Ship To Name	City of Montrose
Bill To	PO Box 790 Montrose, CO 81402 USA	Ship To	433 S 1st Street Montrose, CO 81401

Product	Line Item Description	Sales Price	Quantity	Total Price
Google Workspace Enterprise Standard	Domain: ci.montrose.co.us; Renewal: 08/30/2026 to 08/29/2027	\$170.10	320.00	\$54,432.00

Description	Quote for the City of Montrose to renew 320 Google Workspace Enterprise Standard subscriptions for the Term: 08/30/2026 to 08/29/2027, with the option to renew at the end of the term.	Grand Total	\$54,432.00
	Domain: ci.montrose.co.us		
	Please return a signed quote or PO to me or ops-team@cosipa.gov to renew and include the email address of the person who is supposed to receive the invoice.		

Additional Details

Additional Details	Please note: Fees are not refundable.
	Please note: Fees may increase at next renewal.
	Please note: This is not an invoice. Please do not submit payment until you have received an invoice. Invoice will be sent at the beginning of the Term, with Net 45 payment terms.
	<u>Terms & Conditions:</u>
	Customer accepts Google flow down terms: https://static.carahsoft.com/concrete/files/6116/6981/5856/US_Public_Sector_CMA_flowdowns_10.17.22_-_Worksp
	SIPA is committed to providing solutions that can be used in a Web Content Accessibility Guidelines (WCAG) compliant fashion. However, SIPA cannot certify that this product is compliant with the latest version of WCAG and cannot assume responsibility for non-compliance. We encourage you to perform your own assessment on the suitability of this product for your needs, which may include reaching out to Google directly for more information.
	By signing this Quote or issuing a Purchase Order, you are agreeing to the above Terms and Conditions and you are agreeing to purchase the above mentioned products and/or services and you will be responsible for payment upon invoicing. You also certify that you have authority to enter into this agreement between your entity and SIPA.

Signature _____
Name _____
Title _____
Date _____

PROJECT EXPENSE AUTHORIZATION

TO: Honorable Mayor and Members of the City Council
CC: William Bell, Ann Morgenthaler, Jim Scheid
FROM: Nikolas Pridy, Operations Manager
DATE: July 6, 2026
SUBJECT: 2026 Streetlight Upgrade and Replacement Recommendation



Action

Consider approving the 2026 Streetlight Upgrade and Replacement Authorization in partnership with Delta-Montrose Electric Association in a total not-to-exceed amount of \$240,000.00.

Background

The City of Montrose and Delta-Montrose Electric Association have worked together over the past several years to improve the City's street lighting system through two separate but related efforts: the Citywide LED Streetlight Conversion Project and the replacement of older overhead streetlight poles along Main Street.

This authorization includes those two separate scopes of work:

1. Final year of the Citywide LED Streetlight Conversion Project, not to exceed \$120,000.00.
2. Continued overhead streetlight pole replacements along Main Street, not to exceed \$120,000.00.

DMEA owns and maintains the City's street lighting infrastructure. Through the LED conversion project, the City has assisted DMEA with the replacement of existing High Pressure Sodium and Mercury Vapor street light fixtures with more efficient LED fixtures. The purpose of this project has been to improve energy efficiency, reduce long-term operating costs, modernize the City's street lighting system, and provide more consistent lighting throughout the community.

The 2026 LED conversion work will serve as the final year of this project. DMEA has completed the majority of LED conversions across the City, and the remaining 2026 scope includes the purchase and installation of the final non-LED overhead streetlights and decorative residential fixtures.

To date, the LED conversion project has included the following improvements:

- 96 72W 4000K fixtures replaced over major arterials.
- 120 38W 4000K fixtures installed over minor arterials.
- 519 38W 3000K fixtures installed over collector and residential streets.
- 107 decorative residential fixtures replaced to date, with an additional 81 decorative fixtures planned for 2026, for a total of 188 decorative residential LED replacements.

DMEA has reported that the LED conversion project is producing an estimated savings to the City of approximately \$5,853.55 per month. Based on this savings calculation, the City's initial investment is expected to be fully recovered in slightly under 40 months, or approximately 3.3 years. Completion of the 2026 work will conclude the full scope of the City's LED changeout program and will eliminate the remaining High-pressure Sodium and Mercury Vapor street lights from the City's street lighting system. The new LED fixtures are Dark Sky compliant, marking a major milestone for the community.

The second scope of work is the continuation of overhead streetlight pole replacements along Main Street. This will be the third year of investment in replacing older, deteriorated overhead streetlight poles in the Main Street corridor. The original intent of this project was to move away from continued refurbishment of aging painted poles and instead invest in full pole replacements where appropriate. Prior review showed that replacement was more cost-effective over the long term than refurbishment, reduced the need for recurring repainting, eliminated the need for costly foundations, and aligned with DMEA's current direct-bury fiberglass pole standard.

Over the previous two years, the City and DMEA have successfully replaced overhead streetlight poles along Main Street from Chipeta Road to Nevada Avenue. The 2026 scope will continue this work from Nevada Avenue to San Juan Avenue, completing this segment of the Main Street corridor.

Each overhead streetlight pole location has unique setback limitations, underground and overhead utility conflicts, constructability considerations, and site-specific conditions. Because the cost per pole can vary significantly depending on these conditions, it is not appropriate to list a fixed estimated quantity of pole replacements. For this reason, a not-to-exceed authorization is the most appropriate method for completing this work within the available budget.

Net Financial Impact

The total requested authorization is not to exceed \$240,000.00.

This includes:

- \$120,000.00 for the final year of the Citywide LED Streetlight Conversion Project.
- \$120,000.00 for overhead streetlight pole replacements along Main Street from Nevada Avenue to San Juan Avenue.

Both scopes are included in the 2026 Streets Division Streetlights budget line item 100-5115-342-000.

PROJECT AUTHORIZATION RECOMMENDATION

TO: Honorable Mayor and Montrose City Council
CC: William Bell, Ann Morgenthaler
FROM: Jim Scheid, Public Works Director
DATE: July 6, 2026
SUBJECT: Pavilion Renovation Design Phase 1



Action

Consider authorization of \$400,000.00 for the first phase of design work on the Montrose Pavilion including a contract with Blythe Group and Company (BG+Co).

Background

Built in 1990, the 30,000-square-foot Montrose Pavilion is a heavily utilized, year-round community hub for events, theater, and fundraisers. While well-maintained, several core facility systems are reaching the end of their operational lifespan. Minor, surface-level updates (like lighting and flooring) are handled during normal operations, but major infrastructure systems—specifically the roof, HVAC, and fire suppression systems (which share piping)—face worsening failures and obsolete replacement parts.

To address this, City staff partnered with BG+Co. in 2025 and 2026 to conduct a comprehensive facility assessment. The resulting report prioritizes necessary repairs and outlines a phased renovation schedule designed to minimize impacts on budget and pavilion operations.

Phase 1 design will complete the most critical mechanical (HVAC) and fire suppression upgrades to the Construction Document level, while advancing roof renovations, kitchen remodeling, and egress improvements to the Design Development level. This timeline positions the critical systems for a 2028 construction start, while pushing secondary items to future years. Phase 1 design would run from July 2026 through mid-to-late 2027, with Phase 2 design potentially launching in late 2027.

BG+Co was selected as the design consultant for this project, leveraging a long-standing and highly collaborative partnership with the City. This history provides BG+Co with an understanding of City operations, standard practices, and infrastructure needs—an institutional knowledge that adds significant value and continuity to this initiative. To ensure fiscal responsibility and consistency, the project will be billed on an hourly basis. BG+CO's rate structure remains unchanged, matching the pre-established, competitive rates from their ongoing municipal projects.

Net Financial Impact

The estimated cost for Phase 1 design is \$400,000, which will be split across the 2026 and 2027 fiscal years. The contract with Blythe Group + Co. is structured as Hourly Not-to-Exceed, ensuring budget control. Because the 2026 capital budget allocated \$500,000 for this project, this authorization is \$100,000 under budget.

MEMORANDUM



TO: Honorable Mayor and Members of the City Council
FROM: Scott Murphy, *City Engineer*
DATE: July 1, 2026
RE: South Hillcrest Drive Sidewalk Replacement Contract Award Consideration

Action

Consider the award of a contract to Precision Dirt Work in the amount of \$489,577.00 for construction of the South Hillcrest Drive Sidewalk Replacement Project.

Background

As part of the Moving Montrose Forward street maintenance efforts, the City plans to replace deteriorated sidewalk along the western side of South Hillcrest Drive between Sunnyside and Miami Roads as shown in Figure 1 below. The existing sidewalk is an older driveover style and has deteriorated to the point that it is essentially impassable in most reaches. The new sidewalk will be widened towards the west by reclaiming existing rights of way and will utilize standard vertical curb and gutter, which will provide a safer condition than the existing driveover style.

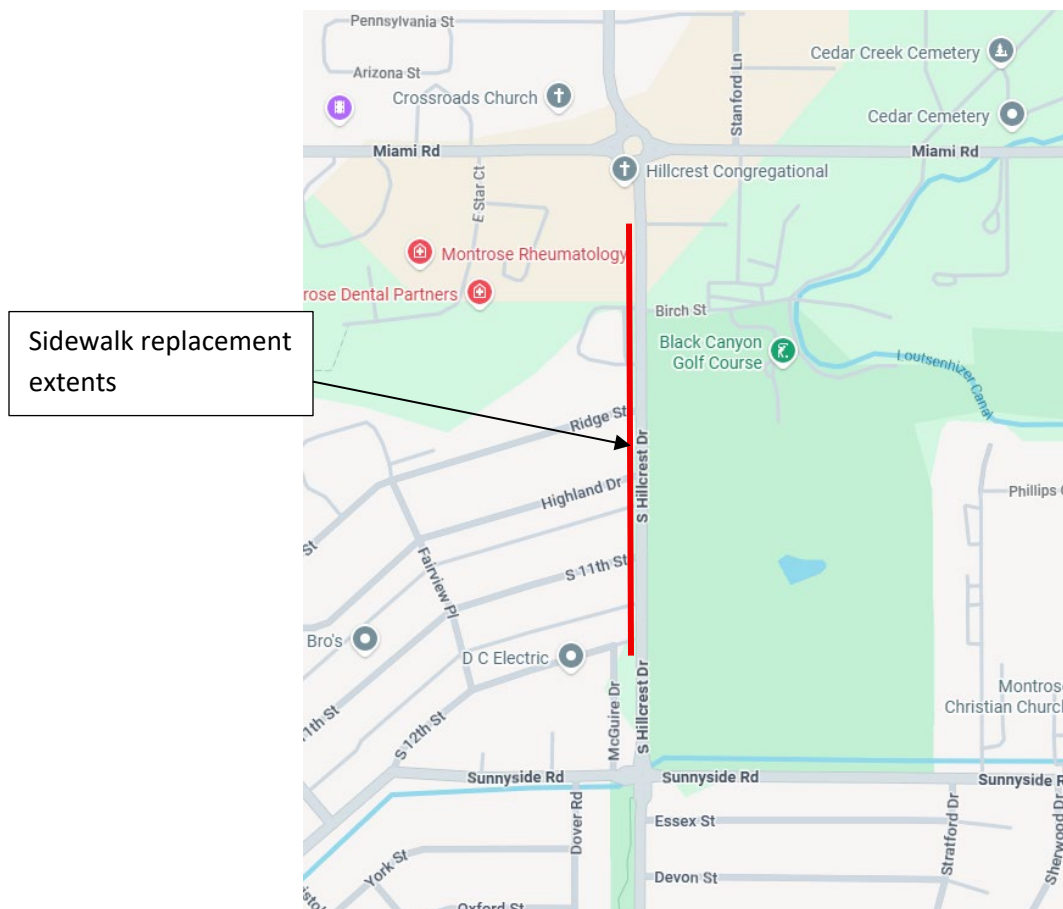


Figure 1: Sidewalk Replacement Extents

Project Bidding and Associated Expenditures

Construction of the South Hillcrest Drive Sidewalk Replacement Project was put out for bid on June 8th and bids were publicly received on June 30, 2026 from six contractors as summarized in Table 1 below. Bid totals presented include a 10 percent contingency.

TABLE 1
Summary of Bid Results

Contractor	Location	Bid Total
Precision Dirt Work	Montrose, CO	\$489,577.00
Ridgway Valley Enterprises	Montrose, CO	\$559,673.95
Mountain Ridge Enterprise	Montrose, CO	\$609,911.34
Montrose Excavation	Montrose, CO	\$699,825.15
K&D Construction	Grand Junction, CO	\$720,965.96
Tri-M Construction	Ridgway, CO	\$912,065.51

The City has never contracted with Precision Dirt Work in the past but their reference checks were positive and projects of these type and scale are excellent starting projects for contractors new to the City's bidding pool. As a result, it is recommended that the construction contract be awarded to Precision Dirt Work. It should be noted that the City's local preference policy or best-value rating system would not change the outcome of bidding in this instance.

Project Schedule and Traffic Control

The project is scheduled to run from August to November 2026. While mainline sidewalk work is taking place, traffic on Hillcrest Drive will be shifted towards the east but will maintain at least one lane of traffic in each direction at all times. While sidewalk work is taking place at side-street connections, the side streets will be closed and detours set up to route traffic and pedestrians to nearby roadways.

Contract Administration and Project Financials

Contract administration, project management, construction survey/stakeout, and inspection will be performed by the City of Montrose engineering department.

The sidewalk replacement project was anticipated to cost \$650k and was initially planned to be split into both the 2026 and 2027 budgets. Along these lines, \$325k was allocated within the 2026 Moving Montrose Forward (MoveMo) Contracted Street Maintenance allocation for this project. Given the favorable bidding results and in an attempt to limit disruption to the public, it is recommended that the entire project be constructed in 2026. This would place the proposed contract approximately \$165k over the \$325k allocation; however, funding is available from savings on other capital projects that would provide budget capacity to do so without a supplemental budget for this item.