

RIFLE CITY COUNCIL MEETING

Wednesday, August 15, 2012

REGULAR MEETING

7:00 p.m. * Council Chambers

A regular meeting of the Rifle City Council was called to order at 7:00 p.m. by Mayor Jay Miller.

PRESENT ON ROLL CALL: Councilors Rich Carter, Alan Lambert, Keith Lambert, Jonathan Rice, Jen Sanborn, Randy Winkler, and Mayor Jay Miller.

OTHERS PRESENT: John Hier, City Manager; Matt Sturgeon, Assistant City Manager/Director of Planning; Lisa Cain, City Clerk; Karl Hanlon, City Attorney; Jim Bell, Channel 10 Manager; Michael Churchill, Channel 10 Assistant Manager; Rick Barth, City Engineer; Mike Braaten, Government Affairs Coordinator; Dick Deussen, Utility Director; Charles Kelty, Finance Director; Daryl Meisner, Police Chief; Ron Atkinson; Barb Clifton; Gil Frontella; Mike McKibbin; John Scalzo; and John Steele.

CONSENT AGENDA - APPROVE THE FOLLOWING ITEMS:

- A. Minutes from the August 1, 2012 Regular Meeting
- B. Liquor License Renewals – X Point; Shanghai Garden
- C. Modification of Licensed Premises – X Point
- D. Intergovernmental Agreement with Garfield County Clerk for services related to November 2012 general election
- E. Accounts Payable

Councilor A. Lambert moved to approve Consent Agenda Items A, B, D, and E; seconded by Councilor Rice.

Roll Call: Yes – A. Lambert (abstaining as to Item A), Carter, K. Lambert, Rice, Sanborn, Winkler, Miller

Council tabled consideration of Item C to its meeting of September 5, 2012, so the applicant could be present to answer Council’s questions on the application.

CITIZEN COMMENTS AND LIVE CALL-IN

Ruth Gould complimented the City on the attractive flower containers in the City Hall/Library Plaza and at the entrances to City parks. Council extended its appreciation to Parks Maintenance Worker Janet Bertram for her attention to the flower containers.

There were no other citizen comments or live call-ins.

CONSIDER AMENDMENT TO RIFLE HEIGHTS SUBDIVISION THIRD AMENDMENT TO SUBDIVISION IMPROVEMENT AGREEMENT

City Attorney Karl Hanlon explained that the Rifle Heights Subdivision developer, Rifle Heights Land Company, LLC (“RHLC”), failed to meet its obligation to pay the City \$159,101.70 for the construction of a portion of Whiteriver Avenue fronting the Property to City standards (the “Whiteriver Avenue Costs”) within 18 months of the recording of the Phase 1 Final Plat.

Since that time, the unsold lots in Phase 1 and Phase 2 of the subdivision were acquired by a bank after RHLC's default, but 2 related entities—RH Holdings Co., LLC and RH Ventures, LLC— have been approved to reacquire the Property. In anticipation of the upcoming closing, City staff and the developer have proposed a new resolution to payment of the Whiteriver Avenue Costs that will permit the release of the Notice of Default. The Third Amendment provides that the developer will pay the \$159,101.70, plus 4 percent interest commencing September 1, 2009, in installments of \$5,000 prior to the conveyance of each lot in Phase 1 owned by the developer. The Third Amendment further provides that the Whiteriver Avenue Costs must be paid in full prior to the approval of a Final Plat for the second phase of development in the Property. The sale of Phase 2 of the Rifle Heights Subdivision, or of any parcels or lots comprising the property other than Phase 1, to any purchaser will cause the entire remaining Whiteriver Avenue Costs to become immediately due and payable in full.

Ron Atkinson and Barb Clifton, representing RH Ventures, LLC, requested that the City waive the 4 percent interest on the Whiteriver Avenue Costs.

Councilor Winkler moved to approve the proposed Third Amendment to the Subdivision Improvements Agreement for Rifle Heights Subdivision, amended to provide for payment of the Whiteriver Avenue Costs, plus 1 percent interest commencing September 1, 2009, in installments of \$5,000 per lot, with a balloon payment of any unpaid costs after 5 years; seconded by Councilor A. Lambert.

Roll Call: Yes – Carter, A. Lambert, K. Lambert, Rice, Sanborn, Winkler, Miller

CONSIDER AMENDING RIFLE MUNICIPAL CODE TO REQUIRE FILING OF FINAL PLATS WITHIN ONE YEAR – ORDINANCE NO. 17, SERIES OF 2012 – SECOND READING

AN ORDINANCE OF THE CITY OF RIFLE, COLORADO AMENDING SECTIONS 16-5-440 AND 16-11-70 OF THE RIFLE MUNICIPAL CODE REGARDING THE RECORDING OF FINAL SUBDIVISION PLATS

Assistant City Manager/Director of Planning Matt Sturgeon reported that the Planning Commission recommended that Council approve proposed Ordinance No. 17, Series of 2012, requiring final plats to be recorded within one year of Council's approval. Approved subdivisions without recorded final plats potentially result in clouds to title, unclear vested rights, and administrative burden.

Councilor Rice moved to approve Ordinance No. 17, Series of 2012, on second reading as presented and to order it to be published in full as required by Charter; seconded by Councilor K. Lambert.

Roll Call: Yes – Carter, A. Lambert, K. Lambert, Rice, Sanborn, Winkler, Miller

CONSIDER CALLING FOR ELECTION TO INCREASE SALES AND USE TAX BY .75% TO FUND WATER ENTERPRISE AND NEW WATER TREATMENT PLANT – ORDINANCE NO. 18, SERIES OF 2012 – SECOND READING

AN ORDINANCE OF THE CITY OF RIFLE, COLORADO, TO PROVIDE FOR AN INCREASE IN SALES AND USE TAX BY THREE-QUARTER PERCENT (0.75%) TO FUND THE CONSTRUCTION OF NEW WATER TREATMENT FACILITIES AND SUBMITTING THIS ORDINANCE FOR APPROVAL OF THE REGISTERED VOTERS OF THE CITY OF RIFLE AT THE NOVEMBER 2012 GENERAL ELECTION.

Mr. Hanlon noted that Council has been discussing placing a sales tax ballot question at the November general election to assist the City's water customers with financing the construction of the new water treatment plant.

Ordinance No. 18, Series of 2012 would put that question before the electorate and if approved, amend the Rifle Municipal Code accordingly. The Ordinance would increase the City's sales and use tax by three-quarter percent effective on January 1, 2013, and it would terminate upon the repayment of the indebtedness that is financing the new treatment plant.

John Steele noted that water rates will increase September 1. The City should make additional efforts to notify customers that the increase is taking effect.

John Scalzo suggested asking for a 1 percent increase in sales tax to reduce the need to increase water rates.

Gil Frontella said that revenues from the tax increase ought not to be used for water treatment plant operations and maintenance. He added that, because he believes that recovery from the current recession will be slow, the City should not build a new water treatment plant at this time, but should instead repair the existing plant.

Councilor Carter moved to approve Ordinance No. 18, Series of 2012, on second reading as amended and to order it to be published in full as required by Charter; seconded by Councilor Winkler.

Roll Call: Yes – Carter, A. Lambert, K. Lambert, Rice, Sanborn, Winkler, Miller.

CONSIDER AWARDING CONTRACT FOR AIRPORT ROAD OVERLAY

City Engineer Rick Barth presented bids for a mill-and-overlay project for a significant portion of Airport Road. Frontier Paving, Inc. submitted the lowest bid, for \$237,410.

This project has available to it Garfield County Federal Mineral Lease District (GCFMLD) grant monies. Staff has applied to GCFMLD to use more of the available grant monies to expand the project scope, so that the mill-and-overlay can extend to the east Wal-Mart entry.

Councilor K. Lambert moved to award a contract to Frontier Paving, Inc. for the Airport Road mill-and-overlay project in an amount not to exceed \$237,410, and to allow the City to negotiate to expand the project scope to a total not to exceed \$470,000; seconded by Councilor Sanborn.

Roll Call: Yes – Carter, A. Lambert, K. Lambert, Rice, Sanborn, Winkler, Miller

CONSIDER AWARDING CONTRACT FOR PROFESSIONAL SERVICES – SALES TAX AUDITS

Finance Director Charles Kelty requested Council's permission to engage 2 firms to develop a Sales Tax Education program for local vendors. An audit component would be included with these services.

Council's consensus was that the City should spend up to \$5,000 to develop a Sales Tax Education program for local vendors.

ADMINISTRATIVE REPORTS

Mr. Hier extended the City staff's condolences to the family of Frank Shaw. He reported to Council on the following issues: 12th Street bridge repair; City advertising; incoming Police Chief John Dyer; and 2013 budget.

Mr. Sturgeon reported to Council on these issues: Sign Code; and Energy Innovation Center infrastructure.

Governmental Affairs Coordinator Mike Braaten reported to Council on state ballot issues.

Police Chief Daryl Meisner reported to Council on these issues: National Night Out; and School Resource Officer Agreement.

COMMENTS FROM MAYOR AND COUNCIL

At Councilor Sanborn's request, staff announced a reminder about the increase in water rates taking effect September 1.

Mayor Miller and the Council expressed their condolences to the families of Frank Shaw and Jim Boone.

Meeting adjourned at 8:22 p.m.

Lisa H. Cain
City Clerk

Jay D. Miller
Mayor