

Mayor Mary Cooper called the meeting to order at 7:00 p.m. Also present were Councilmembers Bill Raley, Robert Jurca, Guy Pfalzgraff, and Ed Sisson, along with City Manager Joe Kerby and City Attorney Mike Schottelkotte. A meeting notice was posted in the south window at City Hall at least twenty-four hours prior to the meeting.

Pledge of Allegiance

The Mayor led everyone present in the Pledge of Allegiance.

Changes to the Agenda

There were none.

Minutes

It was moved by Councilmember Jurca and seconded by Councilmember Sisson to approve the minutes of January 17, 2012 as submitted by the Clerk. All in favor, motion carried.

Citizen Comments

There were none.

Presentation of Award for the River Diffuser Project

Utilities Director Steve Glammeyer introduced Jim Hunyan who is the west slope branch president for the Colorado chapter of the APWA.

Mr. Hunyan presented Mayor Cooper with an award for design and construction of the river diffuser at the wastewater treatment plant. He thanked the City for their support to the APWA.

Approval of Contract for Improvements to the City of Delta Library based on Historical Structure Assessment

City Manager Joe Kerby stated that the City owns the library building itself, the County owns the land and the library district operates the library. In July of 2011 a historic assessment was completed on the building and there were a number of recommended improvements. Mr. Kerby asked Ladonna Gunn with the library district to summarize those recommendations.

Ms. Gunn reported on the process of the assessment. The assessment identified three different areas that included the following for consideration:

- Drainage mitigation
- Exterior wall repairs
- Mechanical improvements
- Roof improvements
- Entry area
- Interior modifications

As a result of the recommendation the library last spring applied for the State Historical Fund. They requested \$93,859 with a cash match of \$59,368. The project total amount is \$153,227. The focus on this grant will be on the critical areas, the drainage mitigation and stabilization of the building as well as the exterior walls.

The project will begin May 1st and run for two years, however, they do not expect it to take that long. It may be accomplished by the end of this construction season.

Ms. Gunn explained the different phases of the grant.

She reported that since the City owns the building they need signatures and acceptance of the contract from the City. They will also be getting the same from the County since they own the land.

Mr. Kerby pointed out that the library district is prepared to cover the entire cash match; however, they City can contribute if they would like.

Regular Meeting, Delta City Council, February 7, 2012 (Cont.)

Approval of Contract for Improvements to the City of Delta Library based on Historical Structure Assessment (cont.)

Ms. Gunn stated that in addition to what they call phase 1, there will also be phase 2 that will deal with the other recommendation. Depending on the grant cycles, it may be possible to apply again for the 2nd phase.

Mr. Kerby questioned if they have an estimated cost of phase 2.

Ms. Gunn reported that phase 2 will approximately cost around \$250,000.

They discussed the 25% cash match for that grant and applicants are more successful with an increased amount.

Councilmember Pfalzgraff stated that he would like to contribute something for this year; however, it makes more sense to contribute next year. Council could budget for the grant in 2013.

There was discussion regarding the budget for 2012 and having funds budgeted in 2013 for this project.

Ms. Gunn stated that they are waiting for results from the energy audit to determine the mechanical improvements.

Mr. Kerby stated that the library is part of the performance contracting that was awarded a few months ago.

Rod Myers with facilities stated that they are working on the performance contracting and he could ask them to move the library up on the list to complete.

It was moved by Councilmember Pfalzgraff and seconded by Councilmember Jurca to authorize the Mayor to sign contract #2012-01-070 with the State of Colorado, Delta County Library District and Delta County in the amount of \$153,227 with the City contribution a cash match to be considered at a later time. All in favor, motion carried.

Mr. Kerby stated that discussions regarding the City's possible contribution will likely take place in August for the upcoming 2013 budget.

Public Hearing: Naming of Lafarge Property

The Mayor closed the regular meeting and convened a public hearing.

Parks Director Paul Suppes reported that back in December Council approved three names to be considered for the Lafarge property. The 30 day period to get public comment has been met and publication of this hearing was advertised in the Delta County Independent. At this time Council needs to select a name out of those three selected to name the property. Mr. Suppes explained the process of submitting the names.

The Mayor called for public comment and when there was none she closed the public hearing and reconvened the regular meeting.

There was discussion regarding River Wood Inn and the concern of naming the park River Wood Park.

It was moved by Councilmember Raley and seconded by Councilmember Sisson to name the Lafarge property River Bend Park and that all future references to the Lafarge property be called the same. All in favor, motion carried.

City Manager Joe Kerby thanked Mr. Suppes for the work he has completed at the park.

Regular Meeting, Delta City Council, February 7, 2012 (Cont.)

Council Bill #2, 2012; First Reading
Vacating Segments of Third Street and Silver Street

Council Bill #2, 2012

AN ORDINANCE OF THE CITY OF DELTA, COLORADO,
VACATING SEGMENTS OF THIRD STREET AND SILVER
STREET IN THE CITY LIMITS

was read by the Clerk.

Public Works Director Jim Hatheway stated that this is to execute and follow up on the agreement with High Quality.

Mayor Cooper stated that they received a copy of the ordinance this evening that has a few changes.

City Attorney Michael Schottelkotte reported that to save expense of publishing the map, therefore, he included language that the map does not need to be published.

It was moved by Councilmember Pfalzgraff and seconded by Councilmember Sisson to adopt Council Bill #2, 2012 on first reading. Roll call vote: Councilmembers Sisson, aye; Pfalzgraff, aye; Jurca, aye; Raley, aye and Cooper, aye. Motion carried.

Council Bill #3, 2012; First Reading
Conveyance of a Parcel of City Property to High Quality Packing, Inc.

Council Bill #3, 2012

AN ORDINANCE OF THE CITY OF DELTA, COLORADO
AUTHORIZING CONVEYANCE OF A PARCEL OF ITS
PROPERTY IN BLOCK 39, PLAT C OF THE DELTA TOWNSITE
TO HIGH QUALITY PACKING, INC.

was read by the Clerk.

Director Hatheway stated that this is also part of the negotiations with High Quality. This parcel has been termed an ear due to the shape of the parcel.

It was moved by Councilmember Sisson and seconded by Councilmember Raley to adopt Council Bill #3, 2012 on first reading. Roll call vote: Councilmembers Sisson, aye; Pfalzgraff, aye; Jurca, aye; Raley, aye and Cooper, aye. Motion carried.

Council Bill #4, 2012; First Reading
Condemnation of Family Household Trust Property

Council Bill #4, 2012

AN ORDINANCE OF THE CITY OF DELTA AUTHORIZING THE
ACQUISITION OF CERTAIN REAL PROPERTY FROM FAMILY
HOUSEHOLD TRUST FOR THE CONFLUENCE DRIVE
PROJECT

was read by the Clerk.

Director Hatheway stated this ordinance will authorize city staff and city attorney to move forward with condemnation procedures should negotiations be unsuccessful. He explained where the property is located. There have been several attempts to communicate to the trustee. The trustee is located in Florida.

Attorney Schottelkotte reported that the deadline for the trustee to contact the City was 4:00pm today that was given to the law firm that is known to be for the trustee. All indications are that they are not going to engage.

Regular Meeting, Delta City Council, February 7, 2012 (Cont.)

Council Bill #4, 2012; First Reading (cont.)

It was moved by Councilmember Jurca and seconded by Councilmember Sisson to adopt Council Bill #4, 2012 on first reading. Roll call vote: Councilmembers Sisson, aye; Pfalzgraff, aye; Jurca, aye; Raley, aye and Cooper, aye. Motion carried.

Amended Council Bill #3, 2012; First Reading
Conveyance of a Parcel of City Property to High Quality Packing, Inc.

Attorney Schottelkotte asked that Council revisit Council Bill #3, 2012. There were a few references to a resolution rather than an ordinance.

Council Bill #3, 2012

AN ORDINANCE OF THE CITY OF DELTA, COLORADO
AUTHORIZING CONVEYANCE OF A PARCEL OF ITS
PROPERTY IN BLOCK 39, PLAT C OF THE DELTA TOWNSITE
TO HIGH QUALITY PACKING, INC.

was read by the Clerk.

It was moved by Councilmember Sisson and seconded by Councilmember Raley to adopt Council Bill #3, 2012 as amended on first reading. Roll call vote: Councilmembers Sisson, aye; Pfalzgraff, aye; Jurca, aye; Raley, aye and Cooper, aye. Motion carried.

Approval of Contract with THK Associates, Inc. for the Golf Course Operational Review

Golf Pro Rob Sanders stated that RFPs were sent out late December for the operational review of the golf course. There were three bids that were received. Staff felt that two of them were competitive. Three of the advisory board members as well as the golf course superintendant helped interview the companies. They all felt unanimously that THK has more of a comprehensive plan and that they will provide some professional advice and service to the golf course and the City of Delta.

Councilmember Jurca questioned if THK has done projects like this before.

Mr. Sanders stated that they have done several some that were completed recently.

Peter Elzi with TKH reported that they have probably done 550 to 600 golf courses in the last 40 years. They just finished a revision to a very similar analysis for Cherokee Ridge Metropolitan in Colorado Springs. He also gave other examples of projects they have completed.

Manager Kerby stated that the contract in Council's packet references Exhibit B that is not reflected in their packets.

Attorney Schottelkotte questions Mr. Sanders if the contractor has seen this exhibit.

Mr. Sanders stated that they have.

Councilmember Pfalzgraff questioned the significant difference in the amount that was budgeted and the amount of the actual bid.

Mr. Sanders stated that the budgeted amount was staff's best guess. They were not able to find pricing that was within the scope of this review.

There was discussion regarding the other proposals that were received.

Mr. Kerby reported that a supplemental appropriation may be needed. Staff typically brings those to Council at the end of the budget year.

Councilmember Raley questioned if they should put this off until a later date.

Mr. Sanders stated that the timing of this would correlate with the budget task force that Council is going to put in place. It would also be hard to do something like this in the middle of the year due to the golf season and the dedication that that staff would need to have to work with THK for the review process.

Regular Meeting, Delta City Council, February 7, 2012 (Cont.)

Approval of Contract with THK Associates, Inc. for the Golf Course Operational Review (cont.)

Mr. Kerby stated that he feels the timing of this is critical at this point. He suggested moving forward with the award and make adjustments to the budget. Adjustments are common throughout the year. He believes that throughout the year staff may be able cover those additional costs.

There was discussion regarding the cost being substantially higher than what was budgeted.

Councilmember Pfalzgraff stated that he doesn't have any issue with the concept of the review.

Mr. Kerby commented that they could ask the contractor to adjust the amount if possible.

Mr. Elzi Peter reported that they provide information on managing golf course; they do not have anything to sell the City once the recommendations are submitted. They would work with the City as far as when the payment needs submitted.

Mayor Cooper questioned if they could give some ideas of their successes in the past.

Mr. Elzi stated that their most successful projects was in Alberque, NM. This was a privately owned golf course. He explained the project. He also provided several other reviews they have done that were successful.

Councilmember Sisson questioned if they have ever recommended closing a golf course.

Mr. Elzi stated that they have suggested better use of property for a par 3 course in Texas that was along an interstate.

Councilmember Raley stated that the City needs to move forward with the review. The City is facing some difficult decisions in the coming year.

It was moved by Councilmember Raley and seconded by Councilmember Sisson to approve the contract with THK and Phelps & Atkinson for the operational review of the golf course in the amount of \$17,200 and authorize the City Manager to sign said contract. All in favor, motion carried.

Approval of Ferganchick Water Shares Purchase

Director Glammeyer reported that this is a contract to purchase 5.5 shares of stock of the Battlement Mesa Ditch & Reservoir. This makes the City the sole owner of all the shares. He stated that this is a good price and a good year to purchase water. This is not budgeted; however, there is able reserve in the water fund to purchase the shares for this amount.

It was moved by Councilmember Pfalzgraff and seconded by Councilmember Sisson to enter into contract to purchase shares of stock from the Estate of Tony Ferganchick in the amount of \$66,000 and authorize the City Manager to sign said contract. All in favor, motion carried.

Resolution of the Board of the Directors of the Battlement Mesa Ditch & Reservoir Company

The Mayor closed the regular meeting and convened a meeting for the Battlement Mesa Ditch & Reservoir Company.

Director Glammeyer reported that this is a resolution for the board to amend the bylaws and appoint the board of directors.

It was moved by Director Pfalzgraff seconded by Director Jurca to adopt the resolution for the Directors of Battlement Mesa Ditch & Reservoir Company. All in favor, motion carried.

The Mayor closed the meeting of the Battlement Mesa Ditch & Reservoir Company and reconvened the regular meeting.

Jim Brown stated that the Ferganchick estate did sign the contract and they are ready to close.

Regular Meeting, Delta City Council, February 7, 2012 (Cont.)

City Attorney Comments

There were none.

City Manager Comments

Manager Kerby reported on the following item:

- Petitions for City Council are available for circulation.
- Refinancing the USDA sewer loan.
- To help reduce costs on credit card transaction staff has sent out RFPs.
- The pool at the recreation center will be closed for the full month of April.
- Planning Commission has three openings.
- The water has been released at the Hartland Dam.
- Golf Course Advisory meeting will be held tomorrow at 6:00pm here at City Hall.
- Community meeting regarding a community garden will be held February 16th from 7:00pm to 9:00pm at the recreation center.
- February 28th Colorado Canyons Association will be holding board meeting at the golf course.
- Will be out of the office Thursday and Friday attending the Colorado City Manager's winter conference in Glenwood Springs.

Mr. Kerby asked Utilities Director Steve Glammeyer to provide an update on the transmission line.

Director Glammeyer stated that he was able to attend a project partner meeting this morning. This is for the 115kb loop feed line that has been in the process for about 10 years. The Star Nelson to Doughspoon substation east/west portion of this project is energized. The north/south has been broken down into two projects. He explained the locations of those two projects. The first of which is out to bid. The Gunnison valley substations as well as the Garnet Mesa substation both need to be worked on. Those bids will be going out shortly. Both the substations upgrades and the first section from Doughspoon to Gunnison Valley construction will start May 1st and should be completed by the middle of August. The smaller section is planned to bid out during construction of the first section.

Councilmember Pfalzgraff stated that he is glad to see an end to the project.

Councilmember Comments

Councilmember Sisson commented on judging the children that participate in the Congress activity at the High School.

Mayor Cooper commented on attending the Club 20 annual meeting at the Capital. She was encouraged to learn that Colorado is becoming #1 in the industry for agriculture. She questioned individuals about Sweitzer Lake. The lake will be put on hold for the time being.

Executive Session

It was moved by Councilmember Jurca and seconded by Councilmember Raley to convene an Executive Session for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators, under CRS Section 24-6-402(4)(e); or more specifically for discussions regarding Confluence Drive and also for discussions regarding the water bill due by the Delta Center PUD property owners.

At 8:14 p.m., Mayor Cooper recessed the Regular Meeting and convened the Executive Session.

At 9:19 p.m., the Mayor reconvened the Regular Meeting and announced that the Executive Session had been concluded. She stated that in addition to herself, the participants in the Executive Session were Councilmembers Robert Jurca, Bill Raley, Guy Pfalzgraff and Ed Sisson; along with City Manager Joe Kerby, City Attorney Michael Schottelkotte, Public Works Director Jim Hatheway and Brad Rodenburg. For the record, the Mayor asked any person participating in the Executive Session who believed that any substantial discussion of any matters not included in the motion to go into Executive Session occurred during the Executive

Regular Meeting, Delta City Council, February 7, 2012 (Cont.)

Executive Session (cont.)

Session in violation of the Open Meetings Law, to state his or her concerns for the record. No concerns were stated.

Amending Council Bill #4, 2012; First Reading

Attorney Schottelkotte recommended revisiting Council Bill #4, 2012. There are some simple changes in the first Whereas paragraph striking "within the County" as well as in the 4th Whereas at the end changing the "city limits" to "county". On the second page in paragraph on the 5th line, "located in the City of Delta", change city to county.

Council Bill #4, 2012

AN ORDINANCE OF THE CITY OF DELTA AUTHORIZING THE
ACQUISTION OF CERTAIN REAL PROPERTY FROM FAMILY
HOUSEHOLD TRUST FOR THE CONFLUENCE DRIVE
PROJECT

was read by the Clerk.

It was moved by Councilmember Jurca and seconded by Councilmember Sisson to adopt Council Bill #4, 2012 on first reading as amended. Roll call vote: Councilmembers Sisson, aye; Pfalzgraff, aye; Jurca, aye; Raley, aye and Cooper, aye. Motion carried.

The meeting was immediately adjourned.

Jolene E. Nelson, City Clerk