

Collbran Board of Trustees Meeting Minutes
Tuesday, July 11, 2017
Regular Meeting
7:00 PM Collbran Town Hall

Mayor Sturm called the Regular Meeting of July 11, 2017 of the Collbran Board of Trustees to order at 7:03pm. The Pledge of Allegiance was recited.

PRESENT ON ROLL CALL: Trustees Schowalter, P. Sturm, Pell, Evans, and Mayor V. Sturm.

ABSENT: none

OTHERS PRESENT: Administrator Farrar, Town Clerk/Treasurer Phillips, Marshal Appelhanz, Dana Lynch, Chuck Schowalter, Judy Schowalter, Shana Appelhanz, and Tilda Evans.

APPROVAL OF MINUTES

MOTION: Trustee Evans moved to approve the Minutes from the Regular Meeting of June 6, 2017; seconded by Trustee P. Sturm.

ROLL CALL VOTE: 5 Yes votes – P. Sturm, Pell, Evans, Schowalter, and V. Sturm. 0 No votes. Motion passed.

MOTION: Trustee Evans moved to approve the Minutes from the Special Meeting of June 15, 2017; seconded by Trustee Pell.

ROLL CALL VOTE: 5 Yes votes – Pell, Evans, Schowalter, P. Sturm, and V. Sturm. 0 No votes. Motion passed.

PERSONS PRESENT NOT ON AGENDA

No one came forward.

PUBLIC HEARING: APPLICATION FOR A NEW TAVERN LIQUOR LICENSE – NELSON COLO COMPANIES LLC (dba: GRAND MESA TAVERN) – 1006 HIGH ST – DANA LYNCH & CODY NELSON

Dana Lynch explained that she plans to reopen the Grand Mesa Tavern for business. Admin. Farrar noted that the application states that Nelson COLO Companies LLC is applying for a new tavern liquor license. He said that all of the application materials have been submitted to the Town, and staff is waiting for the results of the background checks on Ms. Lynch and Mr. Nelson. He stated that staff recommends approval of the liquor license condition upon receipt of favorable results from the background checks of the applicants. Mayor V. Sturm asked the Board if they had any questions for Ms. Lynch; there were no questions. Mayor V. Sturm said that he hopes that the business would be run better than the previous establishment. Ms. Lynch said that she has twenty years of experience in the industry. She explained that her goal is to leave the corporate world and work for herself. Admin. Farrar said to Ms. Lynch that if she has any problems in her establishment that requires law enforcement to please call the Marshal's Office. She said that she has worked in a bar before and is aware of the responsibilities and requirements. Trustee P. Sturm asked Town Clerk/Treasurer Phillips if he knew how soon it would be before the Town would know the results of the background checks. He said he was not sure, but Mr. Nelson's should

come back before Ms. Lynch's because hers had to be resubmitted because her original set of prints were returned by the State because they were smudged. Ms. Lynch assured the Board that she has never been incarcerated and has a spotless record. Admin. Farrar asked Town Clerk/Treasurer Phillips what the State's role is in approving the liquor license. He said that the State already has the application material, but after the results of the background checks come back (assuming a favorable outcome), he would then put his signature on it showing the Town approved the liquor license. He believed the State would quickly issue the liquor license after the background information was received. He noted that the State contacted him and said that they were okay with the application materials that were reviewed.

Mayor V. Sturm opened the public hearing.

Loyal May, Pastor of Grace Bible Church located across the street from the Grand Mesa Tavern, said that the last time Grand Mesa Tavern was open he had his property damaged by patrons, there was "puke" in his parking lot, and he observed people in his parking lot Sunday morning hung over in their vehicles. He said there is nothing personal, but if the Board is leaning toward approving the liquor license, they should reconsider; he said that there already is a bar in Town. He asked the Board, "How many bars do we need?" He inquired about how one controls someone that has had too much to drink. He said that he approached former Grand Mesa Tavern owner Kaleb Julius about the problems but Mr. Julius told him that there was nothing he could do. He asked the Board to consider the perspective of the people who are recipients of the impacts from the bar. Ms. Lynch told Mr. May that she understood his perspective. She explained that she is a religious person and grew up in the church and has respect for the church and the property. Mr. May said he appreciates what she said, but he heard the same thing from the previous owner. He said she does not have control over what takes place outside the tavern, but if she does a better job than the last owner that would be commendable. He noted that there are issues and aspects about the bar that are uncontrollable. He said he just wanted to make his voice heard about the liquor license in these issues.

Admin. Farrar mentioned that an inspector from the State Liquor Division recently gave a presentation to the staff and business owners and it was made clear that it is the proprietor's responsibility to manage their facility. He said that law enforcement needs to be engaged if a customer is belligerent. Issues that must be addressed include overserving, loud music, people leaving the establishment with alcohol, or leaving intoxicated. These problems will not be tolerated. He said that the Town had conversations with the prior owner on more than one occasion. It was noted that the Board of Trustees had to notify the previous owner that problems were serious enough to formally discuss a hearing on the liquor license, but that situation self-remedied. Ms. Lynch said that she reviewed the minutes over the last year and a half before applying for the liquor license and is very aware of these situations. He said that it is incumbent upon the establishment operator to run it professionally, and if you need help or have a have a problem to call the Marshal's Office. Ms. Lynch said she understands the liabilities involved. Ms. Lynch said she is from a small town like Collbran and understands the potential problems. Admin. Farrar mentioned that the Board is supportive of new businesses in Town.

Mayor V. Sturm closed the public hearing.

MOTION: Trustee Pell moved to conditionally approve the new tavern liquor license for Nelson COLO Companies LLC pending the favorable results of the background checks for Ms. Lynch and Mr. Nelson; seconded by Trustee Evans.

ROLL CALL VOTE: 5 Yes votes – Evans, Schowalter, P. Sturm, Pell, and V. Sturm. 0 No votes. Motion passed.

DISCUSSION AND DIRECTION REGARDING UTILITY RATES

Mayor V. Sturm said he understands why people are upset with the new utility rates. Admin. Farrar noted that water usage numbers, water rate methodology, and other information presented at the work session prior to the regular meeting were pulled from the customer use data on the computer system. Trustee Evans said that under the tiered rate system, customers have to watch their usage more closely than before. Trustee Pell said there is no need to vote on modified rates right away. He suggested the possibility of separate business rates and residential rates. Admin. Farrar mentioned that in April, Ordinance No.1, Series 2017 established a valid rate structure, but staff proposes to modify rate numbers to ease the transition. One option discussed was to delay the utility rate change. He said that if the Trustees were looking at a different type of rate structure then they should consider hiring a consultant to complete the analysis. He said the current objective is to consider a less significant rate change to afford customers some relief in the new rates. Trustee Pell noted that he supports offering customers relief, but is concerned that rates will be changed now and the topic may be tabled and further consideration will not occur. Mayor V. Sturm suggested the idea of going back to the old utility rates. Admin. Farrar urged the Trustees not to go back. He said that staff used empirical data and sound science to come up with the proposed rates. He explained that the old rates did not adequately fund depreciation or long-term system needs. Trustee Pell said he agrees with tiered rates. Trustee Schowalter said that many customers' rates have decreased and it is unfortunate they are not present to offer input.

Chuck Schowalter, owner of Collbran Storage, discussed the new utility base rates and explained that although he has water and sewer taps on the property, no water and sewer is connected to the storage units. He was previously charged an availability rate, but now has to pay the new higher base rate instead. He asked about abandoning his taps. Admin. Farrar said abandoning the taps would have to be at the mains. Mr. Schowalter mentioned he would like to abandon the taps without having to pay to have them physically closed at the mains, and would also like to stop paying water and sewer monthly charges. Admin. Farrar said that the ordinance would have to be changed to accomplish that. Trustee Evans asked if Mr. Schowalter had made this request in the past to a previous Board. Mr. Schowalter said that he did back when he originally started Collbran Storage, but no action was taken. Admin. Farrar said that he would be happy to meet with Mr. Schowalter the next day.

Shauna Appelhanz asked if there was a way if residents could monitor their meter usage. Admin. Farrar said he would talk with Public Works Assistant Keith Encke about options. Trustee Pell said that he liked the idea of customers understanding and monitoring their water use. Trustee Evans liked the idea about developing business and residential rates as well. Admin. Farrar asked how that might work to give businesses a reduced rate, and noted that the costs on the system would have to be borne by other users (residents). Trustee Pell noted the Town should encourage businesses and mentioned that it would be a challenge for a laundromat or other large water user to locate in Town. Admin. Farrar cautioned that if the Board wanted to look at a billing system quite different than that proposed, then it would make sense to consider hiring a consulting firm to develop an alternative utility rate structure. He urged caution about going back to the old rate structure. Trustee P. Sturm agreed; she said the tiered rate structure is good.

Trustee Pell asked if a comparison was made between the old rates and the new rates. Admin. Farrar said last winter trial billings were conducted. He said that increasing the first rate tier up to 6,000 gallons instead of 4,000 gallons captures a much larger segment of the user population. He explained that using 6,000 gallons use increments for the first two tier groups, that close to 80% of the user population is included, even in the summer. Shauna Appelhanz said that calculated her bill this month compared to last month under the new proposed rate reduction and her bill would be reduced from \$249 to \$217. Mayor V. Sturm asked about lowering Tier 1 from to \$5. Trustee Pell inquired about modifying the sewer rate. Admin. Farrar said the sewer rates were not an issue with most property owners. He suggested that the Trustees consider holding a special meeting later in the week, and they could consider a revised draft Ordinance No. 3, which contains a rate reduction. It would be necessary for the Board to consider doing that as an emergency ordinance so that it would go into effect in advance of the July 15 billing.

Discussion took place about grants for the water and sewer system. Admin Farrar said the State typically reviews whether a utility is adequately funding the system with its rate structure before they consider awarding grants. Trustee Evans said that the State may require the Town to construct a mechanical wastewater treatment plant at great cost in the future. Trustee Pell asked if the Trustees act on a rate reduction this week could there be a stipulation that requires the Board to address the topic again before the August billing because he does not want the issue tabled. Admin. Farrar said the Board has discretion to decide what they want to do and how they want to proceed.

He said that if the Board acts on an emergency ordinance this week it would provide relief on the next billing for those customers whose utility rates increased. Mayor V. Sturm suggested going back to the old rates until a better change can be made. Admin. Farrar said that hiring a utility rate consultant could cost \$10,000 if the Trustees were interested in a different rate structure. Trustee Pell suggested adjusting rates to fund 80% of depreciation in the water and sewer funds, not 100% and pursue meeting the goal of 100% in future years. Further discussion took place about utility rates and different methodologies. Admin. Farrar said that the Town is moving in the right direction to sustainably fund the utility systems. Admin. Farrar said he could analyze different rate options again, and proposed options for another meeting this week before the July 15 billing. Trustee Schowalter said that she likes concepts discussed at the work session today; she said that she does not want to go backward. Discussion took place about a special meeting in a couple of days. Admin. Farrar proposed developing a rate structure that funds 50% of depreciation and an alternative which funds 75%. The Board decided to hold a work session on Thursday, July 13 at 5pm followed by a special meeting at 6pm. Mrs. Judy Schowalter said she like the idea of funding 50% of depreciation, and then raising the rates over time so customers can adjust to the change.

FIRST AMENDMENT TO LEASE AGREEMENT, OPTION TO PURCHASE AND INDEMNITY AGREEMENT – 106 MAIN STREET – GRAND VALLEY BANK

Admin. Farrar explained the first amendment to lease agreement, option to purchase and indemnity agreement the Board had for review, and noted that it includes additional language moving or replacing the bank sign. He said a copy was sent to Dave Armbruster, CEO and President of Grand Valley Bank, who suggested minor changes. He said the version for consideration by the Trustees includes minor modifications and the staff and bank are comfortable with this version.

MOTION: Trustee Schowalter moved to approve the first amendment to lease agreement, option to purchase and indemnity agreement with Grand Valley Bank; seconded by Trustee Evans.

ROLL CALL VOTE: 4 Yes votes – Schowalter, P. Sturm, Evans, and V. Sturm. 1 No vote - Pell. Motion passed.

LICENSE AGREEMENT – 106 MAIN STREET – GRAND VALLEY BANK

Admin. Farrar explained that the license agreement responds to a request by Grand Valley Bank to expand their drive-through driveway two feet to accommodate larger vehicles. He said that the Town Attorney is comfortable with this version of the license. Trustee Evans asked if the additional 2 feet would eliminate the tree on Main Street, next to the driveway. Admin Farrar said that the 2 feet described in the agreement will allow the tree to remain. Trustee Pell asked how much the bank would be paying for the additional two feet. Admin. Farrar said that the additional 2 feet is in exchange for the Town use of area in front of the bank for a pocket park.

MOTION: Trustee Evans moved to approve the license agreement with Grand Valley Bank to allow the extension of the width of the bank driveway by two feet; seconded by Trustee P. Sturm.

ROLL CALL VOTE: 4 Yes votes – P. Sturm, Evans, Schowalter, and V. Sturm. 1 No vote - Pell. Motion passed.

ARENA ADVISORY COMMITTEE (AAC) MINUTES

Admin. Farrar discussed the previous GOCO grant for the Fairgrounds, and noted that one of the major critiques was a lack of financial contribution from supporting organizations, such as FFA and 4-H, as well as handwritten or more personalized support letters. He noted that Laramie Energy agreed to offer a \$5,000 dollar for dollar matching grant for monies generated by local organizations. He suggested that the AAC and other groups work to get letters of support and financial commitments however big or small to match the Laramie Energy funding

Town Clerk/Treasurer Phillips reminded the Board that if they do not receive their Board packet by the Friday prior to the meeting date they should contact him so he can get them one by Monday morning. He asked the Board if they were open to changing the October Regular Meeting from the 3rd to the 10th because there is a Clerks' Conference the first week of October. The Board agreed to change the date of the Regular Meeting to October 10.

TRUSTEE COMMENTS

Trustee Schowalter mentioned that she will be out of Town next week. Trustee Evans said that everyone did a great job at Heritage Days. He said the car show, rodeo, and parade were good, as well as the historical display at the Auditorium.

STAFF REPORTS

Town Administrator

Admin. Farrar said that with the Collbran Auditorium historical designation by Mesa County, he will pursue a State Historical Grant for a structural assessment. Mayor V. Sturm asked if the historical designation would prevent the Town from tearing down the Auditorium, if it wanted to in the future. Admin. Farrar said it would not restrict that option. He said that to receive State Historical Grant funding, the building needed to have a historical designation; Mesa County's historical designation does not restrict building modifications.

Admin. Farrar updated the Board on the Downtown Improvements Project. He said the Job Corps students are back to work. He said he was going to get with Job Corps supervisor Eddie Saiz who worked with the Town on specific dates on which the students are scheduled to work. Trustee Pell mentioned that re-opening the roads should be a priority because of business impacts when Main Street is not open to through traffic. Admin. Farrar said concrete is scheduled to be poured on Thursday.

Admin. Farrar discussed the proposed cell tower at Gandi Park. He said the representatives interested in building the tower will be at the park on Thursday to do some site analysis. He said that they will need a special use permit from the Town to construct the tower. This process includes a public hearing. Trustee Pell asked how much they were offering the Town to have a tower in Gandi Park. Admin. Farrar said \$14,000. Trustee Evans asked if there has been any progress on the proposed Kimball Creek tower in the County; Admin. Farrar said he is not seen any activity.

Admin. Farrar gave a Heritage Days report. He said it was a great event from the staff's perspective. He said that it looked like more people were in Town this year compared to last year. He said he would like

to conduct a critique with key people in the next few weeks to continue improving the event. He said that vendor permits still are a struggle. He said in the future, the Trustees might consider all of Heritage Days activities as a permitted event. A unified event permit would lay out all activities and required items such as parking attendants, security, and vendors. He said currently, Collbran Arena is rented and then separate events occur that others operate. He noted that the Town may not be ready for a comprehensive permitting process, but it is something that ought to be considered in the future. Trustee Evans asked about the street vendors previously mentioned. Admin. Farrar said the Cattlewomen sell concessions as a fundraiser and felt the ice cream vendor at the Collbran Arena took away from their proceeds. He explained that if a vendor makes a complete application, pays the fee and complies with the regulations, he is not in a position to deny the permit.

Admin. Farrar verified with the Board that the October Regular Meeting was changed to the 10th; the date was confirmed.

Town Marshal

Marshal Appelhanz distributed his monthly report to the Board, and briefly spoke about items in the report. He mentioned State DUI refresher training that both the Marshal and Deputy Marshal attended; he said four hours are required each year. He noted that the final approval was given on a POST grant; he said the amount was a little over \$7,900. He said the money is specific toward training suits and training firearms. He said he would have to purchase the items first, and then be reimbursed with the grant with the invoices he sends to them. He mentioned that one company is willing to invoice the Town, but the other wants immediate payment, so that will show up on the debit/credit card report, which will be almost \$2,500. He said he has asked the Mesa County Sheriff's Office for about \$10,000; he said they have given us some equipment.

Marshal Appelhanz mentioned that he and Deputy Marshal Mitchell have started enforcing the weed ordinance this month and are issuing notices. He said he was at a function recently where DEA representatives said that the opioid epidemic in this Country has become so large that it is affecting our economy. Trustee Evans brought up the topic of marijuana; Marshal Appelhanz also spoke briefly on the subject. Trustee Pell asked about animal control. Marshal Appelhanz said that he keeps animals for two days, and then calls Mesa County. He said some residences in unincorporated Mesa County bring in dogs to Town to have us deal with them. The topic of bears was discussed briefly. Marshal Appelhanz mentioned a potential industrial hemp farm in Mesa County. He said the Fourth of July was good; only one altercation.

APPROVE EXPENDITURES

MOTION: Trustee Evans moved to approve the expenditures for the Town of Collbran from June 7, 2017 through July 7, 2017; seconded by Trustee P. Sturm.

ROLL CALL VOTE: 5 Yes votes – Pell, Evans, Schowalter, P. Sturm, and V. Sturm. 0 No votes. Motion passed.

ADJOURN

MOTION: Trustee Evans moved to adjourn the Town of Collbran Board of Trustees Regular Meeting of July 11, 2017; seconded by Trustee Pell.

ROLL CALL VOTE: 5 Yes votes – Evans, Schowalter, P. Sturm, Pell, and V. Sturm. 0 No votes. Motion passed.

The Regular Meeting adjourned at 8:55pm.

Approved

Attest