

**Collbran Board of Trustees Meeting Minutes
Tuesday, March 1, 2016
Regular Meeting
7:00 PM Collbran Town Hall**

The Regular Meeting of the Collbran Board of Trustees was called to order at 7:14pm by Mayor Jones. The Pledge of Allegiance was recited.

PRESENT ON ROLL CALL: Trustees Evans, Entwistle, Sturm, Schowalter, and Mayor Jones.

ABSENT: none

OTHERS PRESENT: Administrator Farrar, Town Clerk/Treasurer Phillips, Marshal Appelhanz, Lorne Prescott, Gene Stricklan, Margaret Eversole, Tammy Clark, Tilda Evans, and Kris Melnikoff.

APPROVAL OF MINUTES

MOTION: Trustee Evans moved to approve the Minutes from the Regular Meeting on February 2, 2016; seconded by Trustee Entwistle.

ROLL CALL VOTE: 5 Yes votes – Sturm, Entwistle, Evans, Schowalter, and Jones. 0 No votes. Motion passed.

PERSONS PRESENT NOT ON AGENDA

Tammy Clark discussed the Plateau Valley Rodeo Committee Cancer Fund's butterfly release on May 27. On behalf of Joyce Chicos, Ms. Clark asked if the Auditorium rental fee could be waived for that event because it offers benefits to the community, and the user fee would detract from that purpose.

MOTION: Trustee Evans moved to waive the Auditorium rental fee on May 27 for the Plateau Valley Cancer Fund butterfly release event; seconded by Trustee Entwistle.

ROLL CALL VOTE: 5 Yes votes – Entwistle, Evans, Schowalter, Sturm, and Jones. 0 No votes. Motion passed.

GRAND JUNCTION ECONOMIC PARTNERSHIP – Kristi Pollard

Admin. Farrar said that Kristi Pollard the director of the Grand Junction Economic Partnership would not be attending the meeting to discuss Jump Start Mesa County. He gave a general overview of the program and said that he could have a resolution of support prepared for the April Regular Meeting if the Board so desired; the Board agreed to this.

ORDINANCE NO. 2, SERIES 2016 – AN ORDINANCE OF THE BOARD OF TRUSTEES OF THE TOWN OF COLLBRAN, COLORADO, AMENDING SECTIONS 9.03.010(a) AND (b) AND 9.13.010 (a)(1) OF THE COLLBRAN MUNICIPAL CODE REGARDING WATER AND SEWER RATES AND FEES.

Admin. Farrar stated that the Board of Trustees held a number of public workshops about water and sewer rates over the past six months. He said that failure to adequately fund depreciation in the water and sewer funds is one of the primary reasons for the rate increase. The water and sewer rates do not generate

adequate revenues to build reserves sufficient for system replacement/major repairs. Currently there is only enough cash in reserves in each fund for minor repairs. He said the Water and Sewer Enterprise Funds must operate as a business providing sufficient revenues for expenditures and system replacement; retained earnings have been low for several years. He invited the public to look at the audits to understand each utility’s financial condition. Originally, Admin. Farrar proposed a water structure with a minimum charge and four rate tiers with an increasing rate block structure (lowest tier for in-house, second-tier limited outside, third tier moderate outside, and fourth tier to address substantial outside watering). The proposed increase is budget-driven, and amounts to approximately six percent. The current minimum base charge allows up to 7,500 gallons; the new rate changes that threshold to 5,000 gallons. The sewer base rate includes up to 10,000 gallons and is based upon averaged monthly winter water use; the new rate would reduce that allowance to 7,000 gallons. Gene Stricklan mentioned that if the State Health Department mandated a mechanical sewer treatment plant, it would cost Collbran millions of dollars. Admin. Farrar said that bonds needed to finance such an improvement might be difficult to sell if the utility funds were not adequately funded. Also, the State or other grants might be difficult to obtain if the funds are not properly funded. Trustee Entwistle requested that copies of the Municipal Code sections pertaining to water and sewer rate charges and EQR schedule classifications be delivered to the Board and Admin. Farrar; she read aloud excerpts from those pages. She said that it appeared to her based upon the utility rate information that some accounts in town were not being properly billed. The examples presented included Collbran Job Corps, the three mobile home parks, Plateau Valley School District, Alpine Motel, and others. She said that she could not support the rate increase (Ordinance No. 2) until she was confident that all accounts in town were billed in conformance with the Municipal Code. She suggested that a rate increase might not be necessary these accounts were paying their full share. Admin. Farrar suggested that the Town might need to renegotiate the existing billing set up with Job Corps and P.V. School. Trustee Entwistle said that the Town should not have agreed to a master meter bulk rate with Mr. Feller’s trailer park on Highway 330. Admin. Farrar welcomed Trustee Entwistle to meet and discuss these situations with him and that the staff would need to research the circumstances of these accounts. The Board agreed to table Ordinance No. 2. Admin. Farrar requested time to research the items presented at the meeting and he would review any potential legal issues with Town Attorney Jim Neu. He suggested that this process take a month or more. Trustee Evans agreed that they needed more time.

MOTION: Trustee Schowalter moved to table Ordinance No. 2, Series 2016; seconded by Trustee Evans.

ROLL CALL VOTE: 5 Yes votes – Evans, Schowalter, Sturm, Entwistle, and Jones. 0 No votes. Motion passed.

RESOLUTION NO. 2, SERIES 2016 – A RESOLUTION OF THE TOWN OF COLLBRAN, COLORADO, SUPPORTING BALLOT ISSUE 1A AT THE APRIL 5, 2016 REGULAR MUNICIPAL ELECTION REGARDING THE ADOPTION OF A USE TAX OF 2.0% FOR THE TOWN.

Gene Stricklan asked for clarification on Resolution No. 2. Admin. Farrar explained that building materials purchased in Grand Junction, for instance, would have a 2.75% city sales tax paid to Grand Junction and not Collbran; if Ballot Issue 1A passes, a 2.0% use tax would be charged and collected by Collbran instead of the current 2.75% sales tax paid to and used by Grand Junction. He said that the automobile use tax on Ballot Issue 1A is a new tax, however; it would be collected when the vehicle is plated. Mr. Stricklan said he does not support the automobile use tax. Trustee Entwistle asked about collection of the building materials use tax; Admin. Farrar explained more about it. He mentioned that originally there was some confusion whether the automobile portion of Ballot Issue 1A was a new tax or not. He explained the ballot process for this tax.

MOTION: Trustee Schowalter moved to approve Resolution No. 2, Series 2016; seconded by Trustee Sturm.

ROLL CALL VOTE: 3 Yes votes – Schowalter, Sturm, and Evans. 2 No votes – Entwistle and Jones. Motion passed.

PLATEAU VALLEY HISTORICAL SOCIETY – Sylvia Spangler

Sylvia Spangler was not present; she was out of Town.

LORNE PRESCOTT FROM PICEANCE-LARAMIE – CONTINUED DISCUSSION ABOUT ENERGY DEVELOPMENT ACTIVITIES

Lorne Prescott from Piceance-Laramie, now Laramie Energy, mentioned that they have purchased all of Occidental Petroleum’s (OXY’s) assets in Mesa and Garfield Counties. On the topic of water impoundment, he explained that approximately 100,000 barrels of produced water has been pumped into the catchment system they have built; he explained that the company is required to regularly report to the Colorado Oil and Gas Conservation Commission (COGCC), Colorado Department of Public Health and Environment (CDPHE), and Colorado Parks and Wildlife (CPW). He asked if the Board had any questions about their project, or if there are concerns or complaints from their constituents regarding OXY’s operation. Mr. Prescott mentioned that there is currently no drilling activity, but there is regular maintenance work, at their operation which includes well work-overs, and regular upkeep. He said that their rig, which is the only one in Mesa County, has been laid down for now but that could change in a few months. He said that he recently spoke with Jim Neu (Town Attorney) about the documentation that is required by the Town in association with this acquisition; he said they are also absorbing all responsibilities and bonding obligations for the OXY water protection permits. Mr. Prescott presented Admin. Farrar copies of the paperwork that he prepared for Atty. Neu. He mentioned that he plans to invite the Board in late May or early June to see the water impoundment. Mayor Jones asked about the possibility of paving or improving County Road 330E (the Silt cutoff). Mr. Prescott said he was open to discussions about improvements. Admin. Farrar said that the Mesa County Commissioners have toured County Road 330E with the Town and discussed the issues of an all-weather road. He said that if OXY partnered with the Town, then both could approach the Commissioners together which would have a greater impact. Mr. Prescott was open to the idea. He said that they need to come up with dollar amounts when the time comes to approach them. He thanked the Board for their time and said that he hoped to attend the May Meeting.

PUBLIC HEARING – SPECIAL EVENT LIQUOR LICENSE – TOWN OF COLLBRAN (ARENA ADVISORY COMMITTEE)

Admin. Farrar said that the Town technically is the liquor license applicant, even though the Arena Advisory Committee (AAC) is operating the event; it is scheduled for May 7 at the Collbran Auditorium. Mayor Jones opened the public hearing. Tammy Clark of the AAC mentioned that the event is a Kentucky Derby Race night fundraiser to generate dollars for an upgraded sound system at the Arena. She explained the details of the event. Marshal Appelhanz recommended that they use off-duty police officers as security for the May 7 event because the Town is the applicant for the special event liquor license. Ms. Clark said that paying for security would be at least \$25 per hour. Admin. Farrar mentioned that his original recommendation was individuals proposed by the AAC to work security be vetted by

Marshal Appelhanz. The Board briefly discussed how the entrances and exits will be monitored. Marshal Appelhanz said his primary concern is preventing minors from obtaining alcohol. AAC members mentioned that wristbands will be used to keep track of who is allowed to possess alcohol. Tilda Evans of the AAC mentioned that the alcohol will served from one of the rooms just inside the west entrance. Admin. Farrar recommended using the room on the south side of the Auditorium because it would work better. Trustee Sturm expressed concern about Town liability for the event. Admin. Farrar said that he spoke with CIRSA, the Town’s insurance carrier, and because the Town is the applicant for the liquor license, and the AAC is a Town entity, that the Town is insured for the event. Mayor Jones asked for public comment. There was none; Mayor Jones closed the public hearing.

MOTION: Trustee Entwistle moved to approve the Special Event Permit, liquor license, for the Town of Collbran / Arena Advisory Committee for the May 7, 2016 Kentucky Derby fundraiser at the Collbran Auditorium with the stipulation that the security volunteers for the event be cleared by the Town Marshal’s Department; seconded by Trustee Evans.

ROLL CALL VOTE: 3 Yes votes – Entwistle, Evans, and Schowalter. 2 No votes – Sturm and Jones. Motion passed.

ARENA ADVISORY COMMITTEE (AAC) APPOINTMENTS

Admin. Farrar mentioned that the January AAC minutes were provided to show that there are three openings for appointments; he said that three people have applied, but one is Trustee Schowalter, who is already a member because she is the Board’s appointed representative.

MOTION: Trustee Evans moved that the two applicants, Ben Nichols III and Ami Hightower, be appointed to the Arena Advisory Committee; seconded by Trustee Entwistle.

ROLL CALL VOTE: 5 Yes votes – Evans, Schowalter, Sturm, Entwistle, and Jones. 0 No votes. Motion passed.

KIM CLINTON – REGARDING CONDITION OF PROPERTY IN COLLBRAN

Admin. Farrar mentioned he received a telephone call from a property owner about health concerns on the adjacent property and was contacting the Town because the occupant recently passed away. Marshal Appelhanz said that the subject property was under the jurisdiction of Mesa County. He said a county attorney, appointed by a district court judge, will take steps to get the property ready to be sold and then sell it. He also noted that he was there for a house fire six years ago and the property is still in poor condition. He explained that after he and Deputy Marshal Mitchell removed the deceased from the property recently, they locked it up; but when they returned to check on any valuables in the house, they noted that someone had been in there. Admin. Farrar mentioned that the Town can notify the owner and request that they board up the windows and doors.

DISCUSSION ABOUT AMENDMENTS TO MUNICIPAL CODE CHAPTER 1.02 – PURCHASE OF FIREARMS AND PROVISIONS THEREOF

Admin. Farrar read 1.02.020 of the Municipal Code regarding purchase of firearms by the Marshal Department. He said that the Board approves the line-item budget for the Town. He stated that he has not seen municipal code language in other communities that required Trustee approval of each firearm purchase by the department. Marshal Appelhanz noted that it is not a good idea to specifically identify each type of firearm the Marshal Department purchases because it would put his department at a tactical disadvantage and potentially jeopardize officer safety. Admin. Farrar said the wording of 1.02.020 creates micromanagement by the Board. He mentioned that he welcomed Trustees to approach him if

they had questions regarding this topic; his main concern is officer safety. He reminded the Trustees that he welcomes questions about any expenditures. The Board directed the staff to present an ordinance at the April Regular Meeting deleting Municipal Code Section 1.02.020.

CONSIDERATION OF APRIL TRUSTEE MEETING DATE CHANGE DUE TO ELECTION

Mayor Jones mentioned that the April Regular Meeting is scheduled for April 5, which is Election Day for the Town, and asked the Trustees if they wanted to meet on another date. After further discussion, April 12 was identified as an acceptable date.

MOTION: Trustee Schowalter moved to move the April 5, 2016 Board of Trustees Regular Meeting to April 12, 2016; seconded by Trustee Evans.

NON-ROLL CALL VOTE: 5 Yes votes – Schowalter, Sturm, Entwistle, Evans, and Jones. 0 No votes. Motion passed.

CONSIDERATION OF AWARD OF MUNICIPAL AUDIT SERVICES TO JEFF WENDLAND, CPA, LLC

Admin. Farrar mentioned that six or seven audit firms were sent requests for proposals (RFPs) of audit services. He said that the only response the Town received was from Jeff Wendland, CPA, LLC. Admin. Farrar mentioned that it is common to obtain audit services for a period of five years, although it does not need to be a binding contract. He suggested that the Board make a motion to approve audit services for fiscal year 2015, and he will check with Mr. Wendland to see how many years he is interested in beyond that.

MOTION: Trustee Evans moved to award Town of Collbran audit services to Jeff Wendland, CPA, LLC for fiscal year 2015; seconded by Trustee Entwistle.

ROLL CALL VOTE: 5 Yes votes – Schowalter, Sturm, Entwistle, Evans, and Jones. 0 No votes. Motion passed.

DISCUSSION AND DECISION ON PERSONNEL HANDBOOK

Mayor Jones mentioned that he wanted to address changes to the Town Personnel Handbook. Admin. Farrar said that he could sit down with the staff to receive input, and then send it to Town Attorney Jim Neu to ensure that the Town is not in violation with any law. He mentioned that he will be busy with a possible FML grant and a GOCO grant in the next few months. The Board agreed to address the topic at the July Regular Meeting.

ARENA ADVISORY COMMITTEE MINUTES

Trustee Schowalter mentioned that she will get the paperwork submitted for the Will Kennon Memorial Rodeo soon. Admin. Farrar said he spoke with Craig (Hawkeye) Pierce at DCP Mainstream about a donation to help pay for a new digital sound system for the Fairgrounds. He said that he met with the owner of Snob Productions about three price quotes for a low, mid, or high range sound system; a mid-range digital sound system was estimated to cost \$10,000. He said that Snob Productions will submit a written proposal with line items. Tammy Clark asked to be involved in future conversations regarding the sound system; Admin. Farrar welcomed her input and invited her to meet with him. He recommended that the Town install a good quality sound system and hopefully receive a donation from DCP. He also

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said that he expects to hear from GOCO around March 2 about an informal notification on the recent grant application.

STAFF REPORTS

Town Administrator

Admin. Farrar discussed the Colorado Department of Public Health and Environment (CDPHE) wastewater discharge permit renewal for the Town. He said that it will be ready to be signed by the Mayor soon. He also mentioned that the CDPHE said that they will require a dechlorination equipment permit with an estimated \$10,000 cost. Admin. Farrar gave an update on the Garfield & Mesa County broadband project. He mentioned to the Board that he had received an offer of sale of nine acres adjacent to the Collbran Fairgrounds. He said it is in a floodplain area. It is owned by Mark Sullivant and the price is \$189,000. Admin. Farrar and Trustee Evans agreed that wetlands would have to be addressed. The consensus of the Trustees was not to pursue purchase at this time and let the property be listed in the marketplace; Mr. Farrar recommended that prior to any purchase, the property should be appraised. He said that Phase 1 of the Collbran Master Plan is the first priority, not property acquisition for the site. Admin. Farrar said he received input from Ms. Kris Melnikoff who expressed concern scheduling the utility rate discussion on the same evening as the Colorado caucuses; the Board mentioned to Ms. Melnikoff that the utility rate ordinance had been tabled earlier in the meeting.

Town Marshal

Marshal Appelhanz mentioned availability of a grant for the Colorado Peace Officers Standards and Training (POST). He said that there has been a lot of crime activity lately here and Grand Junction. He said in reference to liquor license security that if he is asked about a special event, he will always recommend using off-duty police officers for security; particularly for a Town of Collbran event. Admin. Farrar mentioned the West Salt Creek Rock Avalanche report information he gave the Board. He said that during spring run-off there is a heightened concern; Trustee Schowalter asked about setting up a siren to warn residents. A discussion on the possibility of a siren took place briefly. Admin. Farrar mentioned that staff can research the topic; he said that it would be best if a siren was installed before spring run-off.

APPROVE EXPENDITURES

Gene Stricklan asked about the Town budget, General Fund reserves, and how much was still available. Admin. Farrar mentioned that the Town is holding its own, revenues have been kind of flat, and we recently tapped reserves for the Arena implementation grant, but there was a substantial amount remaining. The Town recently acquired a Bobcat skidsteer, is in the process of purchasing a dump truck to replace the old one, and recently purchased a police vehicle that we received grant funds for. Mr. Stricklan asked if the Town's bank balance is above what it was when he was on the Board; they informed him it is higher.

MOTION: Trustee Sturm moved to approve the expenditures for the Town of Collbran from February 3, 2016 through March 1, 2016; seconded by Trustee Entwistle.

ROLL CALL VOTE: 5 Yes votes – Evans, Schowalter, Sturm, Entwistle, and Jones. 0 No votes.

Motion passed.

ADJOURN

MOTION: Trustee Evans moved to adjourn the Town of Collbran Board of Trustees Regular Meeting of March 1, 2016; seconded by Trustee Entwistle.

**ROLL CALL VOTE: 5 Yes votes – Schowalter, Sturm, Entwistle, Evans, and Jones. 0 No votes.
Motion passed.**

The Regular Meeting adjourned at 9:29pm.



Approved



Attest

