

STATE OF COLORADO
COUNTY OF HUERFANO
CITY OF WALSENBURG
Regular Session Meeting
November 3, 2009 6:00 p.m.

Mayor Sheldon called the meeting to order at 6:00 p.m. The Pledge of Allegiance was recited. Council members present were: Larry Patrick, Edie Flanagan, Susan Blake, Bruce Quintana, David Mockmore, Erin Jerant, James England, and James Moore. Others present were City Administrator Alan Hein, Assistant Administrator Beth Neece and Deputy City Clerk/ Treasurer Lori Sheldon.

APPROVAL OF MINUTES

Mayor Sheldon asked for a motion to accept the minutes from the October 20th Regular City Council meeting. David Mockmore made the motion, seconded by Susan Blake, that the minutes from the October 6th Regular City Council meeting be accepted. Motion carried on a Roll Call vote of 9-0.

Committee Reports

Finance Committee Chairman Larry Patrick reported that the committee met in a 3 and ½ hour marathon session on Monday (November 2nd) evening to review a draft of the budget and ask questions and make comments and changes. All but one council members were present along with the administrators (Alan Hein and Beth Neece), finance director (Krystal Vigil) police chief (Larry Baldonado), and two guests. A PowerPoint presentation was given to highlight the financial situation and how restructuring is needed immediately to stem the tide of financial losses. Administrator Alan Hein and Finance Director Krystal Vigil are in agreement that a 25% reduction in workforce is needed. A combining of the inside and outside water crews and the water and sewer crews is suggested. Combining Streets and Alleys with Parks and Recreation is also suggested to create a special projects crew. Reductions and restructuring will also be done in the office staff. Approximately 10 employees will be affected. Mr. Patrick said that the reason for the restructuring is that, because of cash flow considerations the City cannot handle the size of workforce it currently employs and that Mr. Hein had made it clear that reduction in workforce now is needed to stem cash flow problems and he would have recommended it for the coming year's budget as well. Current revenues cannot support the operations of the city and repay the bond with the current structure. The City is currently pulling money from reserves to meet payroll and accounts payable. We have to stem this tide in order to maintain current reserves to qualify for any bonds or loans for future capital improvements. Mr. Patrick stated several reasons for the financial distress. The warm winter and wet summer took a severe toll on our revenue. 2009 budget shortfalls, overstaffing, increase in wages for employees for the last two years with too big of a staff to handle increases, the severe downturn in the economy has greatly affected the City's interest rates, various state mandated issues that continue to cost the City money in maintaining special engineers and attorneys, and big drops in sales tax revenue. In short, he reiterated, it's been a combination of things that have brought our financial situation to a head. The restructuring and budget proposals, when completed, should alleviate the cash flow crisis and help us get into a better financial situation. It won't happen overnight but is a step in the right direction if adopted. The budget was reviewed with numerous suggestions for cuts and changes that could help in restructuring. The Finance Committee and Council will finish with budget changes and considerations and the next Finance Committee meeting on Monday, November 16th.

Parks and Recreation Committee Chairman Bruce Quintana reported that the committee did not meet and they rescheduled for November 9th at 5:00.

Safety Committee Chairman Erin Jerant reported that the committee did not meet and they will get that rescheduled some time in the coming week.

Public Resources Committee Chairman Edie Flanagin reported that the committee met on Monday, October 26th. There were several things on their agenda. One was the restructuring of the cemetery billing. Instead of billing each month for the usage in that month, it was recommended that we average the bill for the entire watering season. At the end of the season a monthly average will be calculated and if they exceed the 250,000 gallon limit they will be billed for the overage. Ms. Flanagin stated that the point of putting a limit on their consumption was to get the cemeteries to conserve water and that seems to be working. She believes this will be a more equitable way to bill. They also want to remind that the City is no longer doing the leaf and limb pick-up because of monetary constraints and because there is now a waste transfer station. They encourage everyone to take advantage of that option. A third issue that was discussed was a City incentive to have people convert from propane to natural gas but Mr. Hein looked into it and there's too much liability for the City to go into homes to change the orifices and things for furnaces and stoves, etc. The City will be happy to put in natural gas lines and a meter into any house but the inside conversions will be up to the individual (property owner). The next meeting will be Monday, November 23rd at 5:15. They want to look at the comprehensive plan after one year so she encourages everyone to attend and bring their copy of the plan. Mr. Patrick would like to encourage any entrepreneurs that would like to start a business of picking up limbs and leaves for people who don't have a way to get their items out to the transfer station to do so. Mayor Sheldon also encourages those individuals who are already doing so or who may start up to advertise.

CITIZEN FORUM

No citizens signed in to speak.

REPORTS

Administrator Alan Hein reported on the following:

Martin Lake Valve Replacement: Bids were opened last week. There were 3 bids. That is on the agenda for consideration. The drawdown is on schedule. They're increasing the flow each week. He does not see a problem with meeting the schedule to get the construction started. There was a little concern about all the snow we've had lately but it's not causing any problems. Councilman Jerant said she was out there this morning and it was down quite a bit. Mayor Sheldon said that the weather is forecast to be warmer than normal over the next month. Mayor pro tem Quintana asked whether they're going to reduce the flow as they get toward the end of the drawdown to reduce the amount of silt. Mr. Hein replied that he's sure that's been taken into consideration and he will verify that.

Wastewater Treatment Plant Status: He's been in contact with the engineer. They've had several people approach the engineering firm asking questions and being very interested so he thinks we're going to have a good turnout on the bids for that project. Competition is always good on a project of that magnitude. Mayor Sheldon asked for confirmation that the plans are in the Dodge Room in Pueblo. Mr. Hein replied in the affirmative. TetraTech has had 7 or 8 people request plans for the project.

Raw Water Status: We're currently working on that. We're in the process of doing an environmental assessment on the proposed easement of the route.

The New Grocery Store: The developer's engineer is working on the CDOT design for access into the property. The permits have been taken care of so it's just a matter of getting the design approved for his facility.

Restructuring Strategy Councilman Patrick covered this very well so he would be happy to answer any questions.

Councilman Mockmore asked about the new entrance into the Ochs (Best Western and KFC/Taco Bell) property. They've had a hard time getting the utility poles relocated. There was a pole on the east side of the highway that took some time to determine the ownership. It belongs to CDOT and it controls the gates that close the highway when necessary. They're in the process of scheduling the relocation of the two poles and that should expedite the completion of the project. Mayor Sheldon said that she had noticed that they've marked the expansion area but also that she's heard from several people that the Ochs brothers (Harlan) have been a little hard to get along with in terms of the deceleration lane that needs to be put in. Mr. Hein replied that the property owners submitted the design to CDOT but now are saying that they didn't. CDOT is saying that they did and that they want them to build it. They (property owners) are not ready or willing to do that at this time. Mr. Hein would like to set up a meeting with all the parties involved and see if we can get it ironed out. Mayor Sheldon agreed that a meeting should be set up. Mr. Hein said that a representative of Acorn was going to set that up and that he will contact him again to try and get it expedited.

Brian Orr from the Huerfano Journal asked when the restructuring and layoffs might take place. Mr. Hein Replied that it would be in the near future. He then asked for clarification that Mr. Hein has the authority to make the hiring and firing decisions. Mr. Hein replied in the affirmative. Mr. Orr wished him good luck.

James England made a motion, seconded by James Moore that the Administrator and staff be allowed to move forward with the restructuring for personnel, a force reduction of 25% to put it in line with the 2010 budget. Motion passed on a roll call vote of 9-0.

Chief of Police Chief Baldonado did not have a report. Councilman Flanagin asked about the traffic counter that had been placed on Hendren. Mr. Hein replied that they are doing a traffic study but he does not know why. Mayor Sheldon asked Mr. Hein to call CDOT and find out why they're placing counters on City streets (other than Highway 85-87, Walsen Avenue, Main Street, and 7th Street which are State highways.) Mr. Hein replied that the counter is on Walsen. Councilman Flanagin stated that there is also one on Hendren. Mr. Hein said he would look into it. Councilman Jerant asked him to also check on when the potholes on Main Street and 7th Street will be repaired. Councilman Patrick asked whether the timing on the traffic lights had been fixed. Mr. Hein replied that he had called them about that and that they didn't seem to be as long as they have been. Brian Orr asked Chief Baldonado how the reduction in work force would affect the police department. The Chief replied that he had not yet discussed it with Mr. Hein.

Unfinished Business

The first item is the bid for the Martin Valve project. Seifert Enterprises from Westcliffe had been selected. Mayor Sheldon asked the representatives present to come to the podium and

introduce themselves. Trent Stafford introduced himself and stated that he is one of the owners of Seifert Enterprises. Mayor Sheldon asked when he anticipates starting the project. Mr. Stafford replied that it involves working with the City but also DOW needs to let them know when they can get started. They stand ready to start at any time they are given the go-ahead. Councilman Patrick asked him to tell a little bit about Seifert's background. Mr. Stafford replied that they have been in business about 34 or 35 years. Their primary practice has been in road construction and utility work. This particular project is more of a pipeline project. They are currently the main contractor for the Round Mountain Water and Sanitary Sewer district serving Westcliffe and Silver Cliff. This project, from a pipeline perspective, is right up their alley. They've worked with the engineer before. Mayor Sheldon expressed her appreciation for their effort in coming to the meeting. Edie Flanagin made the motion, seconded by Larry Patrick, that the bid from Seifert Enterprises for \$324,784.00 be accepted and the Mayor be authorized to sign the contract. James England asked that the motion be amended to include the amount of the bid (\$324,784.00). Ms. Flanagin so amended. On the advice of Dan Hyatt it was also amended to include any other required documents. Ms. Flanagin so amended. Motion passed on a roll call vote of 9-0.

Councilman Flanagin asked if we could go back to the Ranch Manager's report since it was skipped earlier. Butch Corsentino reported that he has a trade going on with his family down there (at the East Ranch) and said that they're willing to trade that right of way, which we need, for a little piece of our property. He's shown it to Alan (Hein) and Erin (Jerant). He thinks it would be in our best interest to get that settled. He passed around a drawing he had made. It would give plenty of room to get semis and large equipment to the chutes. There's a little strip that we can't use that's about the same size. He strongly suggests that we trade that with them. Councilman Jerant added that she's been down there to look at it and she believes it would be a good trade. Edie Flanagin made a motion, seconded by James England, that we accept the trade offer and authorize the staff to draw up the proper papers so the trade can be recorded at the courthouse. Mayor Sheldon added to include the legal descriptions of all of it. After clarification on the procedure from Dan Hyatt, Mr. Corsentino said that they had measured both areas and asked if that was sufficient. Mr. Hyatt replied that there needed to be an official survey. Motion passed on a roll call vote of 9-0.

The next item is the Pearce agreement. Mayor Sheldon stated that the agreement was signed off some time ago so this is the easement. Dan Hyatt asked Council to give the Mayor authorization to sign the easement deed agreement. Mayor Sheldon wanted to clarify that the easement agreement is for both pieces of Ms. Pearce's property. Mayor pro tem Quintana asked whether the gas line goes through both pieces of property. Mr. Hyatt replied that he didn't know, he just knows that that was the request. James England made a motion, seconded by David Mockmore, that the easement agreement and any accompanying documents be approved and that the Mayor be authorized to sign them. Motion passed on a roll call vote of 9-0.

New Business

James England made the motion, seconded Edie Flanagin by that we renew the 3.2 beer retail liquor license for the Mini Mart, Inc. Loaf 'n' Jug #3. Motion passed on a roll call vote of 9-0.

James England made the motion, seconded by Susan Blake, that we renew the liquor license for Ronald Scarcella, d/b/a 38 Special Discount Wines and Liquors for retail liquor store, malt, vinous, and spirituous liquors. Motion passed on a roll call vote of 9-0.

The last item is a special events liquor license for Spanish Peaks Alliance for Arts and Education for a fund raiser. They do not yet have their sales tax license but they have applied for it. After clarification from Dan Hyatt that it's OK to approve the license in anticipation of receipt of the sales tax license Larry Patrick made the motion, seconded by Erin Jerant that we approve the special event liquor license for Spanish Peaks Alliance for Arts and Education. An amendment was requested by James England that it be contingent on receipt of the sales tax license number. Motion passed on a roll call vote of 9-0.

Butch Corsentino gave a short update on the drawdown through the number 5 ditch to the Holita Reservoir.

Adjournment

With no further items on the agenda, the City Council meeting adjourned at 6:45 p.m.

CITY OF WALSENBURG

ATTEST:

Edith T. Sheldon,
Mayor

Lori Sheldon
Deputy City Clerk

The preceding minutes were prepared according to §47 of Robert's Rules of Order, i.e. they contain a record of what was *done* at the meeting, not what was *said* by the members. Tape recordings of the meeting are available for 6 months thereafter only for listening in the City Clerk's Office as well as copies of Ordinances and Resolutions.