

RIFLE CITY COUNCIL MEETING

Wednesday, June 16, 2010

REGULAR MEETING

7:00 p.m. * Council Chambers

The regular meeting of the Rifle City Council was called to order at 7:02 p.m. by Mayor Keith Lambert.

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

Councilor Sanborn moved to excuse Councilor Jeanette Thompson and Councilor Jay Miller from tonight's meeting; seconded by Councilor Alan Lambert.

The motion passed unanimously.

OTHERS PRESENT: Matt Sturgeon, Assistant City Manager; Kristy Christensen, Deputy City Clerk; Jim Neu, City Attorney; Michael Churchill, Cable 10; Charlie Stevens, Utility Director; Rod Hamilton, Public Works Director; Dick Deussen, City Engineer; Mike Braaten, Government Affairs Coordinator; Teresa Hamilton, Garfield Re-2 School District; Annick Pruitt, Chamber of Commerce; Robert Masias, Tracy Masias, Jack Bryck and Bayard Yang

CONSENT AGENDA

MINUTES FROM THE JUNE 2, 2010 COUNCIL MEETING; LIQUOR LICENSE RENEWALS; APRIL FINANCIAL REPORT; APRIL SALES TAX REPORT; ACCOUNTS PAYABLE

Councilor Alan Lambert moved to approve the Consent Agenda; seconded by Councilor Sanborn.

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

CITIZEN COMMENTS AND LIVE CALL-IN

A citizen comment was made by Steve Kaufman. Steve Kaufman complimented our local cable channel, Channel 10.

ACCESS ROARING FORK AFTER SCHOOL PROGRAM

Steve Kaufman provided an overview of the after school program he runs in Carbondale and hopes to expand to Western Garfield County. Mr. Kaufman started access Roaring Fork in 2003. He would like a system where the out of school time has opportunities for children. He is requesting a statement of support and monetary support from the City for the 2011 budget year. He plans to start this program in RE-2 School District in September 2010. The after school program will be offered three days per week and will consist of an after school snack and classes such as art, dance, and homework assistance. Mr. Kaufman will return at a future meeting to explore this issue further. Teresa Hamilton stated that the Rifle Middle School does not have an after school program.

PUBLIC HEARING: LIQUOR LICENSE APPLICATION FOR LA HACIENDA LLC

Mayor Lambert opened the public hearing. The applicants Robert and Tracy Masias were sworn in and reviewed their application for a Hotel and Restaurant liquor license at 232 West 3rd Street. Mrs. Christensen reported that their application is complete and their fees have been paid. The hearing was properly noticed. Councilor Alan Lambert moved to approve the Application; seconded by Councilor Rice.

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

AUTHORIZE CONTINUATION OF WATER TREATMENT PLANT DESIGN

Mr. Deussen noted that this item is for the conclusion of Phase 2 for the Design and Bid Documents Production to Malcolm Pirnie, Inc. in the amount of \$480,500. The previous funds were used to complete Phase 1 and Phase 2 through 30% of the design. Phase 1 was \$278,000 and the remaining \$221,000 was for Phase 2 through 30% of the design. At this time Mr. Deussen is requesting \$380,500 (not \$480,500) to Malcolm Pirnie. The \$100,000 to procure the shop drawings for the engineering of the membrane will be paid to that vendor. Jack Bryck and Bayard Yang from Malcolm Pirnie explained the \$380,500 for Phase 2 includes Engineering for the procurement of shop drawings, CDOT access permit, Geotechnical at the plant site, evaluating the existing raw water pipe line, delineation of wet lands, and permit applications.

Councilor Rice moved to authorize the continuation of the water plant design; seconded by Councilor Alan Lambert.

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

EMERGENCY ORDINANCE 9-10: MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURING LICENSES

AN ORDINANCE OF THE CITY OF RIFLE, COLORADO, AMENDING CHAPTER 6, ARTICLE VIII OF THE RIFLE MUNICIPAL CODE TO ADD PROVISIONS RELATED TO MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURING PERMITS AND DECLARING AN EMERGENCY

Mr. Neu explained that the State Legislature recently passed House Bill 10-1284 regulating numerous aspects of the medical marijuana industry. In the absence of state laws, the City adopted local regulations last November with the passage of Ordinance No. 33, Series of 2009. The state law does not take effect until July 2011 and the City will need to amend its Ordinance to comport with the state's licensing scheme by that time. Until then, the state is placing a moratorium on new medical marijuana operations effective July 1, 2010. The moratorium is creating urgent interest from new operations trying to obtain a local license before that date. The state identified three classes of licensing in HB 10-1284: Medical Marijuana Center (retail sales), Medical Marijuana Cultivation (growing operation) and Medical Marijuana Infused Products Manufacturing (making edibles, tinctures, etc.). The City's ordinance addressed dispensary sales and cultivation, but not infused products manufacturing. Because the City has received requests to grant permits for infused products manufacturing, Ordinance No. 9 comes before Council, tonight as an emergency ordinance to provide adequate regulation of this class of business. After meeting with members of the industry, this business is essentially a small bakery the size of a residential kitchen that sells baked goods infused with medical marijuana to dispensaries where they are sold to medical marijuana card-holders. Ordinance No. 9 amends Chapter 6, Article VIII of the Rifle Municipal Code to include a definition for medical marijuana infused products manufacturing and include such businesses in the City's permit process. To make the Code more concise and edge towards comporting with HB 10-1284, the Ordinance creates a new definition for "medical marijuana business" to include all three types of licenses that state law identifies. An application and separate application fee must be submitted for an infused products manufacturing permit, which are allowed in the CBD, CS, TC and LI zone districts and prohibited in all other zone districts. All zone district requirements must be met so if a small business grew into a large scale operation, it would need to comply with the City's usual zoning requirements. Medical marijuana infused products must be manufactured on a permitted premise that is used exclusively for that purpose, so no other business activities may occur on the premises. If medical marijuana is stored on the premises during non operating hours, it must comply with the same security requirements to which dispensaries must adhere. Casey Tag addressed Council and voiced his support for this ordinance.

Councilor Sanborn moved to approve Emergency Ordinance 9-10 as amended and ordered it to be published in full as required by Charter; seconded by Councilor Alan Lambert.

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

FIRST READING OF ORDINANCE 10-10: PURCHASING CODE AMENDMENTS FOR LOCAL PREFERENCE

AN ORDINANCE OF THE CITY OF RIFLE, COLORADO, AMENDING CHAPTER 4, ARTICLE III OF THE RIFLE MUNICIPAL CODE REGARDING THE CITY OF RIFLE PURCHASING POLICY

Mr. Sturgeon explained that the City awards preference to local contractors bidding on City projects as part of the City's purchasing policy at Chapter 4, Article III of the Rifle Municipal Code. Recently staff and a local committee comprised of area business members and contractors assessed the local preference provisions and found that they should be expanded in the interest of promoting economic growth in the City and encouraging as many local contractors as possible to participate in City projects. The revisions proposed by Ordinance No. 10, Series of 2010 amend the contractor selection and local preference procedures currently used by the City. The Ordinance also amends RMC Section 4-3-110 to add tiers for percentage preferences applicable to local contractors bidding on contracts of less than \$100,000, including the addition of a 5% preference for contract amounts between \$25,001 to \$100,000. Previously all contracts in excess of \$5,000 were subject to a 3% preference for local bidders. Similarly, a new RMC Section 4-3-115 would create a local preference provision for larger contracts in excess of \$100,000 where none is available currently. In addition to amending and clarifying the local preference regulations, the Ordinance also establishes a uniform contract amount of \$25,000 as the base amount requiring City Council review and approval. Contracts under this amount may be approved administratively (so long as they are budgeted for). In the current Code, the trigger amount for Council review is \$20,000 for capital equipment and capital equipment expenses and \$75,000 for plant equipment replacement. There is really no need to distinguish between these items, and staff feels that requiring all such purchases in

excess of \$25,000 to be approved by the Council strikes a prudent balance between administrative efficiency and fiscal oversight. Finally, the Ordinance clarifies the City's RFQ procedure used for design/build and professional services contracts. In addition, if staff has developed a point ranking system for selecting contractors, the new RMC Section 4-3-120 clarifies that local preference will also be factored in the point ranking system. Annick Pruitt spoke in favor of the new purchasing policy.

Councilor Winkler moved to approve Ordinance 10-10 on first reading as presented and ordered it to be published by title as required by Charter; seconded by Councilor Rice.

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

SERVICES CONTRACT FOR 2010 WEST FEST

Mr. Neu reported that at the City Council's March 12, 2010 meeting \$20,000 was appropriated to assist with the production of West Fest at the Garfield County Fairgrounds on August 13-15, 2010. Garfield County is contributing \$150,000 to the event. City staff and Garfield County staff subsequently met with West Fest representatives to organize logistics of West Fest. Garfield County prepared a Services Contract for its use with Wildfire Productions, Inc. ("WPI"), the manager of West Fest, and the City's agreement with WPI was based on the same form. The Services Contract is a basic contract for professional services used by governments in Colorado. The City is agreeing to contribute \$20,000 to WPI, it is requiring the Contactor to make its records available to the City and procure insurance and make indemnifications, and it is ensuring compliance with CRS§24-76.5-101 regarding the hiring of illegal aliens. The City told WPI that the City had not budgeted the expenses that would fall on the City during West Fest, including additional law enforcement personnel and traffic control, City supervisory personnel and event coordination, and refuse pick up and hauling. Therefore, the City's contribution of \$20,000 must be first utilized to pay the additional expenses incurred by the City and the remaining monies can be provided to WPI directly. Department heads estimate the additional expenses incurred by the City will be in the \$10,000 range. WPI has signed the Contract, but when speaking to them on the phone they did not realize that the \$20,000 would not come as a direct contribution to WPI. The City cannot make a \$20,000 direct contribution unless it is willing to re-allocate existing department budgets to absorb the additional expenses incurred as a result of West Fest. The Scope of Services attached to the Contract details the specifics of the West Fest production, such as the use of funds, marketing and advertising, music and events and the like. The proceeds from West Fest, if any, will be divided 50/50 between WPI and the County/City. The County and City will divide its 50% of the proceeds in same ratio as their contributions, so the City will receive 11.77% of that 50%. The City is agreeing to rely on the reports and audits provided to the County as WPI's satisfaction of the requirements in the Contract and Scope of Services. Staff does not have a problem with these additions requested by WPI because the County will be monitoring all aspects of the event.

Councilor Alan Lambert moved to approve the Contract; seconded by Councilor Sanborn.

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

ADMINISTRATIVE REPORTS

Mr. Sturgeon reviewed the Manager's Report and the HUD grant for regional planning. Mr. Neu reported on the Clough property closing, tour of Pioneer Ditch, and the Beaver Creek Road.

COMMENTS FROM MAYOR AND COUNCIL

GOOD WISHES

Councilor Lambert sent good wishes to Jim Bell.

WATERSHED SIGNS

Councilor Sanborn requested an update on the watershed signs. Mr. Neu will follow up with a progress report at a future meeting.

CHAMBER OF COMMERCE DIRECTORY

Councilor Winkler showcased the new directory.

EXECUTIVE SESSION: FOR A CONFERENCE WITH THE CITY ATTORNEY FOR THE PURPOSE OF RECEIVING LEGAL ADVICE ON SPECIFIC LEGAL QUESTIONS UNDER CRS SECTION 24-6-402(4)(b)

Councilor Rice moved to adjourn to Executive Session for Legal Advice; seconded by Councilor Lambert (8:55 p.m.).

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

Councilor Lambert moved to adjourn from Executive Session; seconded by Councilor Sanborn (10:27 p.m.).

Meeting adjourned at 10:27 p.m.

Kristy Christensen
Deputy City Clerk

Keith Lambert
Mayor