

**New Castle Town Council Meeting  
Tuesday, January 15, 2019, 7:00 p.m.**

**Call to Order**

Mayor A Riddile called the meeting to order at 7:00 p.m.

**Pledge of Allegiance**

**Roll Call**

Present	Councilor Mariscal Councilor Hazelton Mayor A Riddile Councilor Copeland Councilor Leland Councilor G Riddile
Absent	Councilor Owens

Also present at the meeting were Town Administrator Dave Reynolds, Town Clerk Melody Harrison, Town Planner Paul Smith, Town Attorney David McConaughy and Town Engineer Jeff Simonson.

**MOTION: Mayor A Riddile made a motion to excuse Councilor Owens' absence. Councilor Hazelton seconded the motion and it passed unanimously.**

**Meeting Notice**

Town Clerk Melody Harrison verified that her office gave notice of the meeting in accordance with Resolution TC 2018-1.

**Conflicts of Interest**

There were no conflicts of interest.

**Agenda Changes**

There were no agenda changes.

**Citizen Comments on Items not on the Agenda**

Claire Guides, 624 Lariat Loop. Ms. Guides and Norma Teran gave the council a brief update on the Cooking Matters classes taught in New Castle in 2018. They said that they had received grant funding and in-kind donations for the program. They offered thanks the Garfield County Healthy Communities Coalition, the River Center, Cooking Matters, Peach Valley Community Supported Agriculture and the CSU Extension program for helping make the program a great success. Ms. Guides told the council that they would be applying for grants to expand the classes in 2019. The council thanked Ms. Guides and Ms. Teran and complimented them on their success.

**Consultant Reports**

Town Council Meeting  
Tuesday, January 15, 2019

Consultant Attorney – Town Attorney David McConaughy told the council that there was a statute passed recently regarding data privacy, so his firm was working on a policy to bring the town into compliance. He also suggested that the council consider a formal policy for public comment periods at meetings, and that would be coming to them for their consideration as well. Last, he said that there had been a lot of discussion on the Colorado Municipal League listserv regarding e-cigarettes and vaping, and he thought that it may be a subject worth discussing as well.

Consultant Engineer – preset for agenda items.

## **Items for Consideration**

### **Proclamations:**

**Coal Ridge High School Co-ed Cheer Team 1<sup>st</sup> Place State Champion**

**Coal Ridge High School All-Girls Cheer Team 2<sup>nd</sup> Place State Champion**

Mayor A Riddle read the proclamations into the record. The Council Members and Mayor congratulated the Coal Ridge High School Co-Ed and Girls Cheer Teams for their accomplishments.

### **Community Resources and Housing Development Corporation**

Town Administrator Dave Reynolds announced that representatives of Community Resources and Housing Development Corporation (CRHDC) were present to discuss several items regarding the Lakota Senior Housing project. The first item was the development agreement and a request from CRHDC to extend the deadline for public improvements. He said that staff was able to grant one six-month extension which had expired on December 31, 2018, and any further extensions were required to be approved by the Council. CRHDC was requesting that the council provide them with a second extension.

Administrator Reynolds said that the second item was a request for a temporary certificate of occupancy (TCO). Although a TCO is a staff approval, Administrator Reynolds said that because of the partnership between the Council and CRHDC, he felt that Council should weigh in on the decision for a TCO. Last, Administrator Reynolds said that CRHDC would provide the council with an update on the progress of the entire project.

Administrator Reynolds introduced Kate Gazunis from the Garfield County Housing Authority who had interest and investment in the project.

Arturo Alvarado, the new Executive Director of CRHDC, greeted the council and described his experience with CRHDC. He expressed his gratitude to the council for their time and consideration of their requests.

Carly Johannsson, Director of Real Estate Development for CRHDC, also greeted the council. She explained that the project had experienced some difficulties, causing delays in completion, which was the reason CRHDC was before the Town Council. Ms. Johannsson said that the first request was for an extension of the public improvements to May 31, 2019. She explained that the improvements still to be completed were all dependent on weather and could not be completed until spring when the asphalt plants opened and the weather was warmer. Those included exterior building paint, a final coat on the balcony floors, courtyard landscaping, completion of pathways in courtyard, installation of site furnishings, installation of two concrete walkways, reseeded of the swale along Castle

Valley Boulevard, reseeding of the school district lot to the west, installation of a t-patch at new road and Castle Valley Boulevard and installation of final striping of crosswalks, parking stalls and accessible parking spaces with the new right-of-way and new property parking lots. Ms. Johannsson said that outside of the public improvements, CRHDC was working on the project acceptance checklist, the as-built drawings, the bill of sale and the draft deed. She said that the legal description for the draft deed had been established through a surveyor, and they were waiting to see the legal description overlaid on the as-builts to ensure that the legal description was appropriate. Ms. Johannsson said she wanted the council to know that CRHDC was aware of the necessary documentation and what the next steps were. She said that she hoped it would not take the full five months of the requested extension, but a lot of the work was weather-dependent. Ms. Johannsson said that CRHDC was aware the town engineer would not sign off on the road or public improvements until all the work was complete, which included the t-patch and striping.

Councilor G Riddile asked if CRHDC had issued a change order with their contractor that would ensure the project would be complete on May 1, 2019.

Ms. Johannsson stated that they would not do change order but she agreed to work on an addendum to contract instead. She felt that a contractual obligation with the contractor was a good idea.

Ms. Johannsson told the council that CRHDC wanted to have people moving in to the apartment by March 1, 2019, which was the reason they were asking for a TCO. She said that CRHDC had already experienced a \$94k loss of equity because the project was behind schedule. She said that each month that went by without tenants CRHDC lost approximately \$40k, which was detrimental to the organization. In addition, she said that there were now legitimate concerns from their partners, Garfield County Housing Authority in particular. Ms. Johannsson said that CRHDC was making every effort to have the project move-in ready by March 1, 2019. She said that the buildings would be completely ready for occupancy, including all life-safety and energy performance items, and that the only items not complete would be the exterior items listed before.

Ms. Johannsson said that CRHDC had 41 applicants that were being vetted, and Garfield County Housing Authority also had applicants ready to move in. She reiterated the detrimental loss CRHDC was experiencing and how important it was to allow occupancy of the building so that the community needs could be met.

Ms. Johannsson asked if the council had any questions.

Administrator Reynolds said that he felt there were two separate timelines being discussed. One was a TCO timeline, and the other was a public improvements timeline and they did not coincide well because the incomplete roadway would be functional and open for traffic. He asked how CRHDC would be able to complete the public roadways while fifty tenants were making several trips per day on them because ideally, public improvements are completed before there is any occupancy.

Ms. Johannsson said that they would install temporary parking spaces and crosswalk striping to protect the tenants. Managing construction operations around tenant activity would include an outline of procedures for traffic control.

JV DeSousa, Architect for the project, greeted the council and offered to produce a traffic management plan that would block one lane, allowing construction in the other lane. It would likely include flaggers for safety. Mr. DeSousa said he felt most of the right-of-way improvements were complete except for some striping and an easement for a storm water inlet that ties into the detention pond on the neighboring private property. He said there

may need to be an easement for the line from the street to the detention pond. Mr. DeSousa said that the final t-patch would depend on the weather. Town Attorney David McConaughy asked if CRHDC had the necessary survey data to define what the public right-of-way would be, because currently there was no public right-of-way, and the town would need a deed provided or a temporary easement so that emergency vehicles could enter the property. Ms. Johannsson said that CRHDC did have a legal description along with a plat, and she and Mr. DeSousa agreed that a temporary easement agreement could be done so that there would be legal access to the property, and it would need to be done before the March 1 date.

Administrator Reynolds asked Ms. Johannsson how she envisioned the phasing of tenant move-ins.

Ms. Johannsson said she said that they would begin with the eight project-based voucher holders, and then CRHDC would begin moving in those tenants that CRHDC has vetted, which is a several-step process that they could begin immediately so that they would be ready by March 1. Her priority would be the voucher holders.

Administrator Reynolds said that although dates for move-in were being discussed, there could be no date guarantees made for the TCO because it was impossible to know what the outcome of the TCO inspections would be. He said that CRHDC had yet to call for the TCO inspections, and those inspections could take quite a bit of time to complete.

Administrator Reynolds also said that a TCO was a limited thing in that if necessary work was not complete within a certain timeframe, the TCO would expire and occupancy would no longer be allowed. He said it would be a very complicated situation and likely impossible to move 50 people out of senior housing if the TCO expired.

Ms. Johannsson said that CRHDC was already out quite a bit of money, and that because of the nature of the financing for the project, CRHDC would not get paid anything until they had a certificate of occupancy (CO) in hand. Having tenants occupying the units would provide monthly income, but they would not receive final payment if they did not receive a CO. She said that CRHDC had a vested interest in obtaining the final CO.

Ms. Johannsson said that amending the contract with the contractor would help meet the deadline, but that CRHDC was also soliciting bids on some of the work to ensure it was done timely. In addition, if they saw that the general contractor was moving slowly on something, they were sub-contracting the work out, and their general contractor was aware. Ms. Johannsson said that they had issued punch lists for some of the units and would complete final punch lists for all the units within two weeks.

Mayor A Riddile asked how long it would take for Town Planner/Building Inspector Paul Smith and himself to inspect the buildings for TCO. Administrator Reynolds said that he and Inspector Smith had provided final inspection checklists to CRHDC so they understood what would be looked at, but it was impossible to tell how long it would be before the units were ready for inspection, whether they would pass inspection and how long it might take if corrections or repairs needed to be made.

Garfield County Housing Authority Executive Director Kate Gazunis greeted the council. She explained that the tenants she had that were supposed to move in to Lakota Ridge Senior Apartments were project-based. Project-based vouchers differ from standard vouchers in that the voucher was assigned to a unit, whereas standard vouchers were essentially assigned to the person. Director Gazunis said that because the vouchers were unit-assigned, the units were subject to a HUD inspection. HUD standards were not as stringent as the building code, but the inspector would be traveling from outside the area, so needed to be noticed to have enough time to plan for travel, complete the inspections

and write their reports which would be submitted to the housing authority. Director Gazunis said that once that was done, a 'reasonableness' report needed to be completed that ensured that the rent for the unit was reasonable for the local market. The next step then would be that the Board of County Commissioners will have to pass a resolution to enter into a contract with CRHDC that says that the county housing authority will pay for the units. Director Gazunis told the council that her budget came from HUD, and she was given a specific amount of money to pay for vouchers. She said that if the project-based voucher tenants did not move in on March 1, 2019, it would jeopardize her \$4 million dollar budget from Washington D.C. Director Gazunis said that if CRHDC could not guarantee her a move-in date of March 1, 2019, she would look to investing the money in some other apartment complex. Director Gazunis said that she had more than 600 people on waiting lists, and she has had to delay housing people month after month, and it needed to stop. She also said that the eight vouchers for Lakota Senior Apartments had been pre-qualified and were ready to move in. Director Gazunis said that she needed time to complete all that was necessary for her agency. She also noted that HUD was willing to allow move-in on a TCO.

The council voiced concern that there were many items to be completed and only six weeks in which to accomplish them, and although Ms. Johannsson was confident it could be accomplished, the council did not share that confidence because to date, that level of efficiency had not been demonstrated by CRHDC. The council and Administrator Reynolds discussed the need for all the units in all of the buildings to be complete for the TCO because it would be impossible to approve specific units or portions of buildings, as there was no way to keep people safe if the whole building was not habitable.

Town Attorney David McConaughy asked if the general contractor had a performance bond. Ms. Johannsson said there was a performance and payment bond. Attorney McConaughy said that the town could issue a TCO, and then CRHDC could go bankrupt and there would be no remedy to ensure the remaining work was completed. He said that the town could hold the \$500k letter of credit (LOC), but that LOC only went to the road. He said they could approach the bank and see if the bank would agree to allow the LOC to apply to the residences. Alternatively, he said that the contractor's performance bond could be assigned to the town, but CRHDC needed to provide some form of security for the project in the event it was necessary.

Ms. Johannsson said that Wells Fargo was a limited partner on the project, and in the event it was necessary, they would be the entity that would step in and complete the project because they had vested financial interest and ownership of the project. They were also the bank that provided the LOC.

Administrator Reynolds clarified that the council had directed that staff had authority to determine if a TCO was appropriate based on the condition that the only items that remained were the exterior items as previously listed and that CRHDC would provide a financial security for the project. The council agreed.

**MOTION: Mayor A Riddile made a motion to extend the deadline to complete the public improvements for the Lakota Ridge Senior Apartments to May 31, 2019; and at present not to charge the \$4,000.00 penalty fee for failing to be the existing deadline. Councilor G Riddile seconded the motion.**

Discussion: Councilor Copeland felt that the \$4,000.00 fee should not be waived. Attorney McConaughy explained that the fee was for failure to provide as-builts after it was built. Not a penalty for timing, and the fee was still in place because CRHDC will have

to provide the as-builts once the project was complete. Councilor Leland noted for the council that his vote would be a reluctant yes.

**The motion passed unanimously.**

Ms. Johannsson thanked the council.

### **New Castle Trails Update**

Adam Cornely and Joe Urnise, both members of New Castle Trails, greeted the council. Mr. Cornely gave the council a verbal list of structural items that New Castle Trails had completed in 2018 with funding assistance from the town and a grant from Garfield County. Those included: The Youth Skills Loop in VIX Ranch Park, they had designed large, trailhead style maps for VIX Ranch and Alder Park which will be sent to print in the spring of 2019. Mr. Cornely said that the big project that was completed was the downhill, bike-only flow trails that are located below the water tank. He said that they had received an FMLD grant for electrical upgrades to VIX Ranch Park which were complete. Mr. Cornely said that he and Mr. Urnise also spent several days making repairs and improvements to the stage owned by the Chamber of Commerce.

Mr. Urnise told the council that New Castle Trails had held two events, one in the winter and one in the summer. Both had been very successful. He felt they had learned a lot and that they were also learning their identity as a group and where they wanted to go. In 2019, Mr. Urnise said that they would change up the winter event to be more of a social hour, happy hour event rather than a movie event. He said they expected similar attendance and revenues as in previous years.

Mr. Urnise said that their big event will be the Rides and Reggae summer event. Mr. Cornely said that the Rides and Reggae event would be held in VIX Ranch Park on Saturday, August 10, 2019. There would be a legitimate mountain bike race as part of the event, and they were working on the permitting process with the Bureau of Land Management (BLM). The race would include a children's level, an introductory/intermediate level and a third level that would challenge elite riders. Administrator Reynolds said that the town was the event holder on the BLM permit applications, and liability would be covered by the town's insurance company, CIRSA.

Mr. Cornely said that another element of the event would be a bike demo, where a bike manufacturer attends the event with a small fleet of bikes for the guests try out for free. He said he was hoping for three to five companies for the demo. Mr. Cornely said that the bands would be the same genre as last year, just slightly bigger bands. He said that they expected the event to attract more people than last year, so they will bring in food trucks and the Diner, and they had a backup plan with Slow Groovin BBQ.

Mr. Cornely said that they had opened up pre-sale tickets and nearly sold out which he felt was a good sign. They had also decided to have a logo contest for the event and had received nine entries. The winner will be announced at the winter event.

Mr. Urnise said that they had created a New Castle Trails website that would be linked to the recreation website. They were coordinating with local walking, hiking and running clubs on the website calendar.

Mr. Cornely, Mr. Urnise and the council spoke briefly about other trails projects and ideas, primarily the idea of a trail that would connect the Colorow to Canyon Creek, and ultimately, the LoVa Trail.

Mr. Cornely told the council that he had hoped that the council would consider holding the liquor license for the Saturday, August 10 event. On Friday evening, August 9, Roaring Fork Mountain Bike Association (RFMBA) and New Castle Trails will hold a race registration party in Ritter Plaza and they will apply for the liquor license for that. Mr. Cornely said that RFMBA had applied for and obtained the liquor licenses for the 2018 events, and he asked if the council would be willing to obtain the liquor license on their behalf for the Saturday August 10 event. He said that Mike Pritchard, Executive Director of RFMBA felt that summer conference event was getting a bit larger than he was comfortable with, and they felt that the town had a bit more experience and insulation for the larger events. The council agreed they could obtain the liquor license.

Mr. Cornely thanked the council.

**Consider Ordinance TC 2019-1, An Ordinance of the Town Council of the Town of New Castle, Colorado, Amending Chapters 5.12 and 15.04 of the Town Municipal Code (first Reading)**

Clerk Harrison told the council that the ordinance was to remove the sections of the municipal code that required BEST testing for contractors as well as a contractor's licensing, and moving the requirement into business licensing. The proposed process was to require workers compensation and general liability insurance certificates as a condition of obtaining a business license. Building projects in New Castle were reviewed and inspected against the requirements of the international building code, so testing contractors on the building code was unnecessarily redundant. Finally, valid insurance would be required for the certificate of occupancy.

**MOTION: Mayor A Riddile made a motion to approve Ordinance TC 2019-1, An Ordinance of the Town Council of the Town of New Castle, Colorado, Amending Chapters 5.12 and 15.04 of the Town Municipal Code on first reading. Councilor Mariscal seconded the motion and it passed on a roll-call vote: Councilor Copeland: yes; Mayor A Riddile: yes; Councilor G Riddile: yes; Councilor Leland: yes; Councilor Hazelton: yes; Councilor Mariscal: yes.**

**MOTION: Councilor Leland made a motion at 8:55 p.m. to go into Executive Session for discussion of a personnel matter under C.R.S. Section 24-6-402 (f)(I) regarding an employee evaluation of the Town Administrator, and not involving: any specific employees who have requested discussion of the matter in open session; any member of this body of any elected official; the appointment of any person to fill an office of this body or of an elected official; or personnel policies that do not require the discussion of matters personal to particular employees. Councilor Copeland seconded the motion and it passed unanimously.**

Executive session concluded.

At the end of the executive session, Mayor A Riddile made the following statement:

"The time is now 9:07 p.m. and the executive session has been concluded. The participants in the executive session were: Councilors Mariscal and Hazelton; Mayor A Riddile; Councilors

Leland, Copeland and G Riddile and Town Administrator Dave Reynolds. For the record, if any person who participated in the executive session believes that any substantial discussion of any matters not included in the motion to go into the executive session occurred during the executive session, or that any improper action occurred during the executive session in violation of the Open Meetings Law, I would ask that you state your concerns for the record."

No concerns were stated.

**MOTION: Mayor A Riddile made a motion to approve a pay raise for Town Administrator Dave Reynolds, increasing his annual salary to \$85k per year, effective retroactively to January 1, 2019. In addition, the three-month employee reviews no longer needed to take place. Councilor Mariscal seconded the motion and it passed unanimously.**

**Consider a Motion to Begin the February 5, 2019 Council Meeting at 6:00 p.m.**

Clerk Harrison told the council that the reason for the early start on February 5 was that it would be the combined meeting with the Board of County Commissioners. Dinner would be served at 5:30 p.m., and the meeting would begin at 6:00 p.m.

**MOTION: Councilor Leland made a motion to begin the February 5, 2019 council meeting at 6:00 p.m. Councilor Copeland seconded the motion and it passed unanimously.**

#### **Consent Agenda**

December 18, 2018 council minutes

December Bills of \$413,125.71

Lakota Canyon Ranch Golf Course Optional Premises Liquor License Renewal

Lazy Bear Restaurant Hotel & Restaurant Liquor License Renewal

Resolution TC 2019-1 – Posting Places

Resolution TC 2019-2 – Waiving Bonds for Employees

Councilor Leland asked that the minutes be removed from the consent agenda for corrections. The council agreed.

**MOTION: Mayor A Riddile made a motion to approve the consent agenda. Councilor Hazelton seconded the motion and it passed unanimously.**

Councilor Leland noted that the time of adjournment of the December meeting was incorrect in the minutes and asked that it be corrected. The council agreed to the change.

**MOTION: Councilor Leland made a motion to approve the December 18, 2018 minutes as amended. Mayor A Riddile seconded the motion and it passed unanimously.**



## **Staff Reports**

Town Administrator – Administrator Reynolds said that the town had received the grant agreement for the LoVa Trails grant, and it was earlier than expected, so it was likely that the project may be able to begin earlier. He said he would also be meeting with CDOT to discuss planning for the LoVa Trail. Administrator Reynolds said that he would have a phone conference with Greg Russi to get some clarification on some of the elements of the various grants, and he and Mayor Riddile would meet with Glenwood Springs to discuss a possible Federal Land Access Program (FLAP) grant. Administrator Reynolds told the council that Police Chief Tony Pagni had a police officer candidate and that the panel interview will be on January 24.

Town Clerk – Clerk Harrison said that she had the resolution from the City of Delta for a public comment policy that she could send to the council members if they wanted. Clerk Harrison said that she had been appointed to two Colorado Municipal Clerk Association committees, membership and the handbook. She also said that her department was working on getting some old records organized on both the server and in the vault.

Town Planner – Town Planner Paul Smith said that there were a handful of building permits in town that he was working on as well as inspections for senior housing which was working in earnest. Planner Smith said there had been a few questions come up regarding variances, and he said there were several potential land use applications coming up and he had been studying the code related to land use so he could properly vet the applications before they went to P&Z or council.

Public Works Director – not present

## **Commission Reports**

Planning & Zoning Commission – Councilor Hazelton said they had held a work session to discuss the comprehensive plan.

Historic Preservation Commission – nothing to report.

Climate Action Advisory Committee – nothing to report.

Senior Program – nothing to report.

RFTA – Mayor A Riddile said that at the last meeting a Roaring Fork Valley group came to the meeting looking for an endorsement of an immigration resolution, and he did not feel that RFTA should be addressing political or social issues. The item failed at the RFTA board meeting, but he said that he suggested the group should approach municipalities, so they may come to New Castle. He also said that he had been elected as the RFTA board president. The council congratulated him.

AGNC – nothing to report

GCE – Councilor Leland said that he had attended the energy summit and it seemed a bit repetitive. He said there were attendees from Pitkin and Eagle counties as well as representatives from all the energy companies that serve the residents of the three counties. The companies will move ahead to collaborate on an action plan for the three counties. They will apply for an FMLD grant in the fall of 2019 to fund vehicle charging stations.

EAB – nothing to report

## **Council Comments**

Councilor Mariscal said she had attended the Garfield County Health Services Commission meeting and talked about health insurance. Eagle County is assisting Mountain Family

Health in getting families covered. 36 percent of Mountain Family's clientele are without health insurance.

Councilor Mariscal said that she had spoken with Vola Mercer of Garfield County to coordinate a meeting with the Board of County Commissioners with the Mexican Consulate, and she wanted New Castle to host the meeting.

Councilor Mariscal said she had gone to a meeting of Latino Leaders in the valley, and they discussed creating a Hispanic Chamber of Commerce.

Councilor Hazelton congratulated Mayor A Riddile on being selected as RFTA chairman, particularly considering that the RFTA board attitude towards New Castle had not been great in the past.

Councilor G Riddile thanked the staff for keeping streets clear of snow over the holidays, saying they had done a wonderful job.

Councilor Leland said that he felt the council should recognize in the minutes that Alpine Bank was offering assistance to furloughed federal employees.

Councilor Leland said that he felt the council should talk about the code section dealing with too many unrelated persons living in a home because he come across a Facebook ad for someone looking for a fourth roommate. He also felt that Air BnBs should be discussed sometime in the near future.

Councilor Copeland asked if other council members had been e-mailed by the teacher who was looking for council attendance at a community involvement program. Mayor A Riddile said he had gotten it but could not attend because he would be out of town.

Mayor A Riddile reminded the council that there would be a volunteer New Castle event on Saturday, January 26 at 3:00 p.m.

Mayor A Riddile said that he would be attending an autonomous vehicle/public transit conference in California Jan 22-24 for RFTA.

**MOTION: Councilor Leland made a motion to adjourn. Mayor A Riddile seconded the motion and it passed unanimously.**

The meeting adjourned at 9:52 p.m.

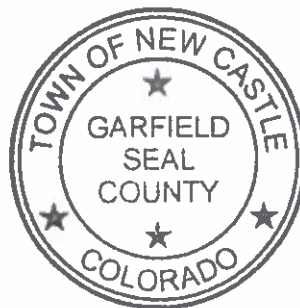
Respectfully submitted,



Mayor Art Riddile



Town Clerk Melody Harrison, CMC



Town Council Meeting  
Tuesday, January 15, 2019