The City Council of the City of Grand Junction convened into regular session on the 17th day of September, 2014 at 7:00 p.m. in the City Auditorium. Those present were Councilmembers Bennett Boeschenstein, Jim Doody, Duncan McArthur, Sam Susuras, Barbara Traylor Smith, and Council President Pro Tem Martin Chazen. Absent was Council President Phyllis Norris. Also present were City Manager Rich Englehart, City Attorney John Shaver, and City Clerk Stephanie Tuin.

Council President Pro Tem Chazen called the meeting to order. Councilmember McArthur led the Pledge of Allegiance, followed by an Invocation by Pastor Dan Russell, Appleton Christian Church.

Council President Pro Tem Chazen conveyed Council President Norris’s regret that she was not able to attend the meeting.

Presentations

August Yard of the Month

Shirley Nilsen, Forestry Board Member, presented the Yard of the Month for August to Joy and Tyne Bush who live at 2616 Aster Court. She described the reasons why the yard was selected and thanked them. Mrs. Bush said that the yard is a team effort; Mr. Bush does all the irrigation, major pruning, and digs the large holes. He is very excited that the pressure is now off since they have been awarded Yard of the Month.

HomewardBound Presentation - Doug Karl, Executive Director, Bill Wade, Board Vice Chair, and Daniel Kroetz, Director of Acquisition (Developer) will update the City Council on the Remodel of the Existing Shelter and the Design of the New Family Center and Apartment Building

Bill Wade, Vice Chair of the Board for HomewardBound, introduced the presentation. He introduced Doug Karl, Executive Director for HomewardBound, who thanked the City Council for the opportunity. Mr. Karl provided statistics on the number of nights and meals provided and the number of individuals served. He gave an overview of the renovation project at the existing shelter, noting the specific grants HomewardBound of the Grand Valley (HBGV) has received and upgrades to the facility. There will be new ADA (Americans with Disabilities Act) compliant restrooms, showers, and a family bath. There is a new roof, a remodeled entry, light-emitting diode (LED) lighting, heating,
ventilation, and air conditioning. The remaining projects to be completed are the flooring, reinstalling kitchen equipment, finishing the administrative area, cabinets, installing the new lighting, and completing the covered patio. These need to be finished in order to get the Certificate of Occupancy and be able to move back in on the planned date of October 3rd. Mr. Wade said the existing facility serves men, women, and families, which doesn't work well and is why they are beginning a new project. This project will be the only facility between Denver and Salt Lake City that will serve families and single women. It will include a three story multifamily building with 40 units and a two story family center that will include an emergency shelter, service provider offices and work areas, training centers, and medical and respite services. The selected site is 564 29 Road. He showed the site layout and explained how it is really two projects that will be built concurrently. He then introduced the project manager for the contract developer, Daniel Kroetz of Cardinal Capital Management, Inc. They have the expertise to develop many types of specialized housing. The Pathways Village and HBGV Family Center site layout was displayed. The apartments will be one, two, and three bedroom units; they anticipate the projects to be completed by fourth quarter 2015. The estimated cost of the Family Center is $2.3 million and the Apartment Complex is $7.61 million. Funding through HUD (Housing and Urban Development) Section 8 is a key element, since the average resident income will be $10,000 or less. Mr. Wade said the beginning of this process was the Community Development Block Grant funding from the City that was used to help buy the property. They have raised $1.2 million so far.

Councilmember Traylor Smith thanked them and is looking forward to seeing the completed project.

Councilmember Boeschenstein also thanked them and is happy to see a project that will help the homeless in the area.

Council President Pro Tem Chazen said he has been following this project and it is a great plan that has created many partnerships within the community. They should be proud.

Proclamations

Proclaiming the Week of September 17 through September 23, 2014 as "Constitution Week" in the City of Grand Junction

Councilmember Traylor Smith read the proclamation. Present to receive the Proclamation was Lori Parrott, Regent, Mount Garfield Chapter, National Society Daughters of the American Revolution. Peggy Allen, Katie Kelly, and Lena Watts were also in attendance. Ms. Parrot thanked the City Council for the proclamation and encouraged all citizens to appreciate this great document.
Proclaiming September 26, 2014 as "Legends of the Grand Valley - Chet and Vernie Enstrom Day" in the City of Grand Junction

Councilmember Susuras read the proclamation. Present to receive the Proclamation from the Legends of the Grand Valley Committee were Miffie Blozvich, Co-Chair and committee members Garry Brewer, Tess Carmichael, and Greg Kampf. Ms. Blozvich thanked the Council for the proclamation and for recognizing this sculpture. She listed the previous seven year’s sculptures and said they have all been labors of love. She invited everyone to the unveiling at 5:30 p.m. on September 26th at 7th and Main Streets. A reception will follow the unveiling on the terrace at the Avalon Theatre.

Certificate of Appointments

To the Parks and Recreation Advisory Board

Scott McBrayer was present to receive his certificate of reappointment to the Parks and Recreation Advisory Board. Councilmember Jim Doody presented him with his reappointment certificate. Dr. McBrayer thanked the City Council for his reappointment and for everything they do. He recognized the Parks and Recreation Staff for all that they do and their passion; as a board member that makes it very exciting to serve.

To the Riverfront Commission

Karen Jefferson, Clifton Sprinkle, and Frank Watt were present to receive their certificates of reappointment to the Riverfront Commission. Councilmember Boeschenstein presented them with their certificates. Brad Taylor was not able to attend; Mr. Watt accepted his certificate on Mr. Taylor’s behalf. Mr. Watt said they are all excited to be reappointed and are having a very exciting year; the completion of the Fruita trail has been one of the highlights and they are looking forward to other trail improvements such as the addition of trail signs. Ms. Jefferson and Mr. Sprinkle also thanked the Council.

Citizen Comments

Bruce Lohmiller, 445 Chipeta #25, addressed the City Council regarding due diligence. He suggested City Attorney John Shaver stipulate that there be due diligence and finish documents and order them to Judge Bottger. He also wanted to remind Council of his interest in Whitman Park.

Council Comments

Councilmember Susuras was invited to give a welcome and invocation at the Spanish Christian concert at Grand Junction High School on August 31st. This concert was
sponsored by Western Colorado of Spanish Churches and there were great performances of Spanish music, singing, and dancers. It was a fun and inspirational experience and he was privileged to be able to attend.

Councilmember Traylor Smith said she went to the Fruita Riverfront Trail opening; it was a great event, but will let Councilmember Boeschenstein speak about it in more detail.

Councilmember McArthur attended a presentation by local attorney Lloyd Quesenberry on real estate issues and concerns. Topics included federal financing and how local marijuana laws are not recognized under federal loan covenants, and how property values are impacted. Following the presentation, there were left over sandwiches; he dropped them off at HomewardBound and encouraged others to do the same. He attended the Hispanic Heritage Month Kick-off event on September 16th. Although his name is Scottish, he is half Latino and it was enjoyable to be reminded of his childhood and see this event grow each year. He also noted Western Colorado Latino Chamber of Commerce is one of the partners of this excellent event.

Councilmember McArthur also went to an energy update presented by Nucor, the largest steel recycling company in the nation. Nucor is the parent company of Van Gundy’s Recycling and they have partnered with Encana Oil and Gas. The steel recycling process uses a tremendous amount of electricity and natural gas energy and Nucor has been touring the valley and buying a supply of natural gas to maintain their operations at the Van Gundy site. He encouraged the public to tour the site and realize the benefits of recycling steel.

Councilmember Boeschenstein first spoke to the grand re-opening of the Avalon Theatre that began with the film cutting and then listed many of the partners. He also attended the Hispanic Heritage Month Kick-off event that was held at the Mesa County Public Library and the opening of the Riverfront Trail section to Fruita. He recognized the partnerships involved in the completion of the new eight mile trail section.

Council President Pro Tem Chazen remarked there were two events that many Councilmembers, including him, attended: the Municipalities Dinner and the Grand Junction Economic Partnership (GJEP) annual meeting. At the Municipalities Dinner, a transportation update was given and at the GJEP meeting, John Frank gave an informative speech on economic development, which tied in nicely to the City’s economic development plan. Council President Pro Tem Chazen noted the City currently has two RFP’s (requests for proposal) open that will move that plan forward. On the 12th, he attended a Forestry Board meeting; they are planning for a big event that will be held on December 4th. This event will pull in a lot of people to the area and they are looking forward to it.
Consent Calendar

Councilmember Doody read Consent Calendar items #1 through #5 and then moved to adopt the Consent Calendar as read. Councilmember Traylor Smith seconded the motion. Motion carried by roll call vote.

1. **Minutes of the Previous Meeting**
   
   *Action: Approve the Minutes of the September 3, 2014 Regular Meeting*

2. **Setting a Hearing on the Fire Station No. 4 Annexation, Located at 2880 B ½ Road** [File #ANX-2014-341]
   
   A request to annex 4.760 acres located at 2880 B ½ Road. The Fire Station No. 4 Annexation consists of 1 parcel and 1.21 acres of B ½ Road right-of-way.

   Resolution No. 27-14—A Resolution Referring a Petition to the City Council for the Annexation of Lands to the City of Grand Junction, Colorado, Setting a Hearing on Such Annexation, and Exercising Land Use Control, Fire Station No. 4 Annexation, Located at 2880 B ½ Road

   Proposed Ordinance Annexing Territory to the City of Grand Junction, Colorado, Fire Station No. 4 Annexation, Approximately 4.760 Acres, Located at 2880 B ½ Road

   *Action: Adopt Resolution No. 27-14, Introduce Proposed Annexation Ordinance, and Set a Public Hearing for November 5, 2014*

3. **Purchase of a Portion of the Property Located at 2880 B ½ Road for the Relocation of Fire Station #4**
   
   The Staff seeks authorization from the City Council to purchase a portion of the property located at 2880 B ½ Road for the construction of a fire station.

   Resolution No. 28-14—A Resolution Authorizing the City Manager to Purchase Real Property Located at 2880 B ½ Road, Grand Junction, Colorado

   *Action: Adopt Resolution No. 28-14*

4. **Setting a Hearing on the South Dominguez Estates Rezone, Located at 2921 E ⅞ Road** [File #RZN-2014-260]
   
   Request to rezone 4.39 +/- acres from R-4 (Residential - 4 du/ac) to R-8 (Residential - 8 du/ac) zone district in anticipation of the proposed South Dominguez Estates residential subdivision.
Proposed Ordinance Rezoning the Proposed South Dominguez Estates Subdivision from R-4 (Residential - 4 Du/Ac) to R-8 (Residential - 8 Du/Ac), Located at 2921 E 7\% Road

**Action:** Introduce a Proposed Ordinance and Set a Public Hearing for October 1, 2014

5. **CDBG Subrecipient Contract with the Counseling and Education Center for Previously Allocated Funds within the 2014 Community Development Block Grant (CDBG) Program Year** [File #CDBG 2014-03]

The Subrecipient Contract formalizes the City’s award of $3,000 to the Counseling and Education Center allocated from the City’s 2014 CDBG Program as previously approved by Council. The grant funds will be used to provide counseling services to low and moderate income individuals and families.

**Action:** Authorize the City Manager to Sign the Subrecipient Contract with the Counseling and Education Center for $3,000 for the City’s 2014 CDBG Program Year Funds

**ITEMS NEEDING INDIVIDUAL CONSIDERATION**

**Matchett Park Master Plan**

Matchett Park is a 205 acre site that the City has owned since 1996. The City applied and received a grant for the development of a Master Plan for development of a park on this site. The Master Plan being presented is the result of work with the public and other stakeholders. The Parks and Recreation Department is seeking approval of the 2014 Matchett Park Master Plan.

Rob Schoeber, Parks and Recreation Director, introduced this item and thanked the community for their input (thousands have been involved), and the Staff for their work. He also thanked the Parks and Recreation Advisory Board, the Parks Improvements Advisory Board, the City Council, and especially Council President Pro Tem Chazen for being the Council liaison. He then recognized Traci Wieland, Recreation Superintendent, and Ted Ciavonne of Ciavonne, Roberts, and Associates, Inc. He described the location of the property; 205 acres, 14 of which are owned by School District 51 (SD51), it is double the size of Canyon View Park. It was acquired by the City in 1996; current uses are disc golf, trails, and farmland. He described the timeline for the development of the Master Plan including the communication and the methods used for the community meetings, and the number of citizens attending.

Councilmember McArthur inquired if the citizens were specifically asked if they supported the proposal and if they will use the facilities. Mr. Schoeber said there will be more meetings asking those specific questions when they get into the actual design. He also
added that type of inquiry was made when they redesigned Lincoln Park and Rocket Park. He emphasized that this Plan will very likely change all the way up to the ground breaking.

Traci Wieland, Recreation Superintendent, addressed the final preferred conceptual plan and said transportation elements drove a lot of the design. Neighbors were concerned with traffic flow and use, so one of the first changes to be made was moving 28 ¼ Road to an interior boulevard. This allowed them to move the intense uses to the interior of the park which divided the park into three distinct areas. She described each area and its elements. The Plan is a concept that will allow them to move forward to find funding sources. Questions will continue to be asked for the final design. Part of the Master Plan includes four phases with infrastructure identified separately. There are a few elements that make sense for the first phase; the irrigation pond, and the clearing and re-vegetation of the Indian Wash area which contains invasive plant species.

The cost estimates are just a road map and will need to be fine-tuned as they move forward. The cost estimates have a 25% contingency built in. Also, there is a 3-5% inflationary rate that should be added for each year the project has to wait for further developments. Ms. Wieland provided a cost estimate by phase noting that a significant amount is for the infrastructure. The estimate is $180,000 per acre, but this does not include the Community Center. She also had a list of potential revenues per year.

There are still ongoing topics that need to be discussed with Grand Valley Water Users Association and SD51 regarding watering and use respectively. Also, future funding opportunities are being explored through Fishing is Fun, Great Outdoors Colorado (GOCO), and the Land and Water Conservation Fund. In conclusion, she said the process has been educational and fun and she looks forward to continued discussions.

Councilmember Traylor Smith expressed concerns about parking at Matchett Park since it will be twice the size of Canyon View Park. Ms. Wieland said they have learned from Canyon View and have incorporated two solutions for Matchett. One is in how the park is programmed and instructing Staff not to overbook the Park at any one time. The other solution is to double the parking and make use of parking at the SD51 site, which can be built in through Intergovernmental Agreements.

Councilmember Boeschenstein complimented Ms. Wieland on the good job she has done and said it is an excellent plan; he noted how difficult it is to plan a large city-wide park and how forward thinking the Parks Department and the Matchett’s have been to not subdivide the property and how they have continued farming even when it was surrounded by subdivisions. Now the City has this gem that will be a wonderful amenity. Councilmember Boeschenstein then asked if up to 50% of the costs will be absorbed by GOCO and Fishing is Fun grants. Ms. Wieland said GOCO has funding up to 70%, but the cycles are extremely competitive, so the 50% mark is more likely. Fishing is Fun will
be more difficult to nail down; their funding has changed over the past few years. However, she does feel the majority of the costs will be funded by grants, as all the pieces of Matchett Park are eligible for GOCO funding except the Community Center. She also noted GOCO will get a copy of the Master Plan, so when funding requests are submitted, they will have knowledge of the plan.

Councilmember McArthur wanted to know exactly what Council is being asked to approve. Mr. Schoeber explained they would like the Plan to be adopted which will allow them to move forward with specific design elements and help in applying for grants. The adoption will not provide for any development, those requests will come to Council piece by piece. Councilmember McArthur asked if the Community Center is not part of the plan. Mr. Schoeber said it is not part of the Plan at this time. Councilmember McArthur asked from where the other 50% of the funding will come. Mr. Schoeber said they have not yet explored sources for the additional funding. The most readily accessible funding is from GOCO and the annual lottery proceeds; these funding sources will be used to leverage other potential grants. Councilmember McArthur asked if there was a preliminary timeline for the phases. Mr. Schoeber said they anticipate it will take up to ten years to fully develop the Park. Councilmember McArthur asked if the Park will be developed according to the numbered phases. Mr. Schoeber said the development schedule will likely change, but infrastructure, such as utilities, irrigation, and transportation will be completed first.

Councilmember Doody commented that it is both interesting and pleasing that the conversation includes a recreation center. He then asked if there would be an opportunity for a private investor to build the recreation center. Mr. Schoeber said every opportunity is still on the table; at this time only space has been set aside. No ideas have been put forward.

Councilmember Susuras said he has been looking forward to this presentation for over four years and thanked Mr. Schoeber and Ms. Wieland. He understands that this project will come together slowly, but in the end it will be a great regional park, and help alleviate the overuse of Canyon View Park. Councilmember Susuras predicts this Park will be in full use within a year of its opening. As for the Community Center, he said they will have to look at different financing options, but in the meantime he is confident Staff will find a way to fund the four phases and he will support the adoption.

Council President Pro Tem Chazen thanked Staff for including him in the process and complimented them on the open and transparent meetings; he truly appreciates all the hard work every department in the City has done for this project; it has been a group effort. He noted that his property abuts this Park and he too was concerned about the traffic. He asked for details on how the side streets would tie into the Park and how the traffic concerns were addressed.
Ms. Wieland explained that at the first community meeting, traffic concerns were raised. Staff listened to the residents in order to understand their concerns and help them prepare and address the issues at future community meetings and in the plans. Many of the matters raised revolved around connecting the streets: 28 ¼ Road, Hawthorne and Cortland Avenues, and a Patterson Road entrance. The Traffic Division assisted with the Hawthorne Avenue connection, but most of the other solutions came from the residents.

Council President Pro Tem Chazen noted the estimated annual revenue is $80,000 and operating costs are $810,000; he then asked if the operating costs included all the maintenance and staffing costs. Ms. Wieland said that figure included all costs including seasonal staff.

Councilmember Boeschenstein stated that the curved linear road solutions would create a calming traffic flow and help keep speeds down; it is a good and beautiful road design. He then noted that Canyon View Park took almost ten years to fully develop and it is a great success story; it is to be expected that Matchett Park and Las Colonias will have a similar phased process and take time to complete.

Resolution No. 29-14—A Resolution Adopting the 2014 Matchett Park Master Plan

Councilmember Susuras moved to adopt Resolution No. 29-14. Councilmember Boeschenstein seconded the motion. Motion carried by roll call vote.

Public Hearing – Amending the 12th Street Medical Plaza and Hospice Care Planned Development and Amend the Comprehensive Plan Future Land Use Map, Located at 3030, 3040, 3045, and 3050 N. 13th Street [File #PLD-2014-115 and CPA-2014-116]

Request approval to amend the 12th Street Medical Plaza and Hospice Care Planned Development (HopeWest PD) to include four additional lots, zoning the four lots to PD (Planned Development) with a default zone of B-1 (Neighborhood Business) and also to amend the Comprehensive Plan from Residential Medium (4 - 8 du/ac) to Business Park Mixed Use for three of the four lots, located at 3030, 3040, 3045, and 3050 N. 13th Street.

The public hearing was opened at 8:32 p.m.

Scott Peterson, Senior Planner, presented this item. He described the proposed request. The Planning Commission did recommend conditional approval at the August 12, 2014 meeting. He described the location, the current uses, and the buildings on the properties. He explained the purpose of a Planned Development is to provide flexibility in exchange for additional community benefits. He listed those benefits: more effective infrastructure and design, reduced traffic demands, greater quality and quantity of public and/or private open space, recreational amenities, to provide landscaping, and to reuse existing buildings. He described the site plan and the process the applicant will go through next. Mr. Peterson identified the proposed uses. Calls Mr. Peterson received from the
neighborhood were mostly on increased traffic. It is anticipated that HopeWest will be using parking on site. No phasing has been proposed to amend the land use of the properties. Both HopeWest and Primary Care Partners had proposed new buildings in the previous application; neither has proceeded with those plans. Mr. Peterson then listed the findings, facts and conclusions of the plan: it is consistent with the goals and policies of the Comprehensive Plan (CP), the review criteria have all been met, the applicant will submit a site plan for review, and allowed uses are limited (staff and visitor housing, inside storage, office space, counseling services, and staff and visitor parking lot). The default zone will be B-1. The request does meet the requirements of the CP and the Zoning and Development Code. The applicant is present to answer any questions.

Councilmember Susuras asked what the reasons are for reverting the zoning to B-1. Mr. Peterson said the 2003 plan created a PD zone. These zones set bulk standards, but if anything is not specifically addressed, the underlying zone, which is B-1, would set the standard. Councilmember Susuras asked if there is a time element by which to start the PD. Mr. Peterson answered there is no time frame. Primary Care Partners and HopeWest still have plans for additional buildings; these will require a review of the site plan, however the PD states they will not need to come back before City Council.

Councilmember Boeschenstein asked what the off street parking requirements are for this type of development and commented that it would look better if green areas were added. Mr. Peterson referred to an aerial photo and pointed out numerous off-street trails, and extensive landscaping along N. 12th Street and on both sites. The off-street parking requirement is one space per 400 square feet for general business offices, and one space per 250 square feet for medical offices. Parking requirements have been met. Councilmember Boeschenstein asked if the requirement is different for hospitals. Mr. Peterson answered hospital parking is based on the number of patient beds; he did not have the exact number.

Councilmember McArthur asked where they plan to locate the staff and visitor parking. Mr. Peterson said the plan is to demolish the single family house at 3050 N. 13th and use that space for parking. Councilmember McArthur asked if the plan was to utilize the other existing structures. Mr. Peterson said yes, they plan to reconfigure the interiors for use as office space, counseling services, and interior storage, which will free up space in the existing HopeWest building. Councilmember McArthur noted the existing zoning is R-8, but it does not look like it is being used as R-8. He then asked what the density is. Mr. Peterson answered he did not calculate the density since they wanted to change it to a PD zone, but it would probably be equal to R-5 zoning.

Mr. Peterson referred to Councilmember Boeschenstein’s question on hospital parking requirements and answered it is one space per two beds plus one space per employee. This site will have more than enough parking to meet the requirements. Councilmember
Boeschenstein commented the parking area could be reduced. Mr. Peterson said parking requirements could be revised when HopeWest has their site plan review for the new building.

Councilmember McArthur said he is concerned that increased traffic may create a need for on street parking.

Councilmember Traylor Smith mentioned she does sit on the HopeWest Planned Giving Council, but there is no conflict of interest. She also said she knows people in the neighborhood, and contacted them to find out how they felt about the prospective changes; they are very supportive of HopeWest.

Christy Whitney, President and Chief Executive Officer of HopeWest, expressed her appreciation of the Planning Department; without them this project would not exist. She mentioned they purchased these properties for the future use, they only approached one owner regarding a purchase; owners of the other three properties approached them. Of particular need now is office space, a place for teens to do art, and a place for out of town guests to stay. The future has come more rapidly than they predicted. Although there is no immediate need for a 24,000 square foot building, their Care Center is full every day and they would like to add six more beds.

There were no public comments.

The public hearing was closed at 8:50 p.m.

Resolution No. 30-14—A Resolution Amending the Comprehensive Plan Future Land Use Map of the City of Grand Junction for Three Properties from Residential Medium (4 - 8 Du/Ac) to Business Park Mixed Use for the HopeWest and Primary Care Partners Planned Development, Located at 3030, 3040, and 3050 N. 13th Street

Ordinance No. 4638—An Ordinance Amending the 12th Street Medical Plaza and Hospice Care Planned Development to Include Additional Land Area and Zoning the Additional Land Area PD (Planned Development) with a Default B-1 (Neighborhood Business) Zone District to be Known as the HopeWest and Primary Care Partners Planned Development, Located at 3030, 3040, 3045, and 3050 N. 13th Street

Councilmember Traylor Smith moved to adopt Resolution No. 30-14 and adopt Ordinance No. 4638 on final passage and order final publication in pamphlet form. Councilmember McArthur seconded the motion. Motion carried by roll call vote.

**Sales Tax Management Software System**

This request is for the development of a sales tax management software system that will account for and report on the City's most significant single source of revenue. This system will also provide a new convenience feature for businesses that will allow them to
access their license account information, file returns, and remit taxes collected via a secure hosted site on the internet.

Jodi Romero, Financial Operations Director, introduced this item. She said it is a contract opportunity with the Statewide Internet Portal Authority (SIPA) to develop, design, and implement a sales tax management system. The current system is 14 years old; it is outdated, hard to support, and hard to use. They have looked for a canned system, but have not found one that meets the City’s specialized needs. SIPA was created to help governments solve software issues. A solution was worked out for SIPA to contract with Vertiba to develop software that meets the City’s specifications and administer the project. This will improve services to the sales taxpayers. The new system will also integrate with the Geographic Information System (GIS) allowing the City’s Finance Department to develop better trending and reporting. The City will own the intellectual rights to this software which will allow other municipalities similar to Grand Junction to purchase the system from the City.

Councilmember Traylor Smith noted the total cost of $193,000, then asked what the listed cost of $165,000 included. Ms. Romero said the $165,000 is for Vertiba to develop, produce, and implement the software. Councilmember Traylor Smith clarified that there will be a $25,000 annual fee for licensing, but the $165,000 will be a one-time cost. She then asked if this software will help Staff work more efficiently and prevent a need for additional staff. Ms. Romero agreed with the clarification and said processing is currently very time consuming; she believes the new software will not reduce staff, but will save time allowing Staff to do more high level things for which they currently do not have time.

Councilmember Chazen asked if the current system is a paper system. Ms. Romero said the City currently does not have an on-line filing system; there is no automation, all payments are processed by hand. Councilmember Chazen asked how many payments are processed per month. Ms. Romero said the City has a total of 4,600 accounts; 2,500 are processed monthly, the remaining are processed quarterly or annually. Councilmember Chazen asked if this new system will help with compliance, collection, and bad debt. Ms. Romero said the current compliance rate is good, but the new software will help Staff be more efficient. It is a more robust system and the non-compliance reporting will be easier and more efficient. It will also have an audit component that will make it easier to identify anomalies. Councilmember Chazen asked if the $165,000 is a hard number since the specifications for the system have not been finalized. Ms. Romero answered from a user standpoint; a business process evaluation has been completed so Vertiba knows the City’s specific needs and the contract will state that the price shall not exceed $165,000.

Jim Finlayson, Information Technology Director, presented additional information. Two full days were spent on the business process review enabling them to come up with a solid estimate. He appreciated the depth the company went into for the review; it was
necessary for them to understand what it will take to develop the software. Their process is well staged with checkpoints along the way and good controls in place so that details can be closely reviewed in order to remain on budget. If they find a needed element they did not envision during the business process review, there would be an additional cost, but that is not something they foresee. Council President Pro Tem Chazen asked if the annual licensing fee includes hosting. Mr. Finlayson said it will be hosted and the licensing fee includes hosting. The only other fee is for SIPA to manage the on-line reporting. All statewide agencies use SIPA for on-line payments, which is why they were chosen. The user fees are paid by those that make payments on line. Council President Pro Tem Chazen asked how confident they are that SIPA can manage the process and who will write the Vertiba contract. Mr. Finlayson said a statement of work has been developed by Vertiba and then forwarded through SIPA. The City will need a contract with SIPA because they will manage the on-line processing portion and there are no fees charged by SIPA because they are a nonprofit. SIPA will provide contract management and an in house analyst will be assigned to be in charge of project management and developing the code with Vertiba. Council President Pro Tem Chazen noted the proposal stated the sources for the funding: $30,000 was budgeted for the project, $25,000 from the Information Technology (IT) budget, and $138,000 from general fund revenues. He then asked from where the general fund revenues were coming. Ms. Romero answered currently sales tax revenues are in excess over budget in the amount of $420,000 and there are additional funds available from the audit program. Council President Pro Tem Chazen asked if the amount from the IT budget had been set aside for software. Mr. Finlayson answered yes.

Councilmember McArthur asked if they anticipate any additional expenses for updates. Mr. Finlayson said no; because the City is developing the software and will own the rights, any enhancements would be developed and paid for in-house or contracted with Vertiba. The hope is the City’s in-house analyst would be able to develop any future enhancements.

Councilmember Susuras reiterated that the City would own the intellectual rights. Mr. Finlayson confirmed.

Councilmember Traylor Smith asked if the City will need to make technology changes to accommodate the new software. Mr. Finlayson said because Sales Force will be used and they operate independently, the City will not be required to make technology changes. Council President Pro Tem Chazen asked how this would tie into the GIS system. Mr. Finlayson said the tie in will verify addresses, called GeoVerify. As addresses are entered into the system, they will be tied specifically to an address point that is identified in the GIS. This allows the creation of maps that show things like where sales tax is collected; this will provide great capabilities to use all the other layers in the GIS.
Councilmember Susuras moved to authorize the Purchasing Division to enter into a contract with Statewide Internet Portal Authority (SIPA) to develop and implement a Sales Tax Management Software System in the amount of $165,000. Councilmember Traylor Smith seconded the motion. Motion carried by roll call vote.

**Non-Scheduled Citizens & Visitors**

There were none.

**Other Business**

There was none.

**Adjournment**

The meeting adjourned at 9:07 p.m.

Stephanie Tuin, MMC
City Clerk