

The regular meeting of the City Council of the City of Trinidad, Colorado, was held on Tuesday, July 3, 2012 at 7:00 p.m. in City Council Chambers at City Hall.

There were present:	Mayor	Rino, presiding
	Councilmembers	Baca Gonzalez, Bolton, Bonato, Pando, Shew, Velasquez
Also present:	Acting City Manager	Gagliardi
	City Attorney	Beatty
	City Clerk	Garrett

The pledge of allegiance was recited.

READING OF THE MINUTES. Regular Meeting of June 19, 2012 & Special Meetings of June 26, 2012. A motion to approve the minutes as submitted was made by Councilmember Pando and seconded by Councilmember Shew. The motion carried by a unanimous roll call vote, excepting Councilmember Velasquez who abstained from the vote entirely and Mayor Rino who abstained from the vote for the June 19th meeting minutes.

PETITIONS OR COMMUNICATIONS, ORAL OR WRITTEN. None.

REPORT BY CITY MANAGER. Job openings. Acting City Manager Gagliardi advised Council that the City has received several (three) applications for the Public Works Director position and one for the City Manager position.

Opera House. Acting City Manager Gagliardi noted that the project on Main and Commercial (to build a walkway in front and along the Opera House) started. He said the work should be done by Saturday, according to the contractor.

2013 Budget. Acting City Manager Gagliardi informed Council that the budget process for 2013 is underway.

REPORT BY CITY ATTORNEY. Fire ban. City Attorney Beatty wished everyone a happy Independence Day and reminded that there is a state-wide fire ban in place as a result of Governor Hickenlooper's executive order issued, which includes fireworks. He pointed out that customarily the City allows a limited number of fireworks, such as sparklers and glow worms, but asked that people refrain from their use as well due to the very dry conditions. The police and fire departments have issued notices to the public about the Governor's order. City Attorney Beatty concluded by extending the City's deep regrets to the victims of the Waldo Canyon fire in Colorado Springs.

COMMITTEE REPORTS. Trinidad & Las Animas County Chamber of Commerce, Inc. Kim Schultz, Executive Director of the Chamber of Commerce, addressed Council. She asked for Council to pose questions to her, noting that her understanding is their questions surround the Triggers baseball team. Mayor Rino said some of the questions raised included how the money from the liquor is distributed, the financial condition of the Triggers with respect to their ability to pay the ballplayers, how much the players are paid and how much is paid in travel allowance. Ms. Schultz dispelled former manager Justin Lowery's claims and accusations that the Trigger's account had \$70,000 in it at the beginning of May and then there was nothing. She said Mr. Lowery was never in a position to read a financial report let alone help raise any money for the team. That's what the Chamber of Commerce did. She said she has her year to date financials that go through May. At the beginning of May they had \$41,000. By the end of May they had spent \$27,000 in start up with uniforms, workers comp insurance, balls, etc. The liquor license has nothing to do with the team operations. However, the money made from the concessions and beer sales has essentially been going back into the team because the expenses are so high, primarily in hotel rooms. She said they got through May with about \$27,000 in expenditures, through June with about \$6,000 in expenditures, between traveling costs, gas, food and accommodations for our team and the other teams coming into Trinidad. Ms. Schultz said she's looking at \$5,000 in expenses for July just in hotel rooms alone since they have such an extensive home stretch. Right now there is \$1,200 in the Trigger's account after all of the travel in June. Ms. Schultz said she has a 4th of July event. She clarified that gate attendance monies goes to the players' payroll, which is issued by the Pecos League to all of the players in the league. The Chamber has nothing to do with that. Ms. Schultz continued that the Chamber of Commerce has put in hundreds of hours and has raised \$40,000. It's a business and they have to work on the cash flow issues. She explained that the commissioner and league probably got behind in their payroll back in May because they had so few home games in May. She also corrected a statement made about her having driven with \$1,000 to Santa Fe to pay the team, clarifying that she drove to Santa Fe to cash their checks for them so they would have money because they weren't going to get their paychecks until a Friday night. Ms. Schultz outlined that the Chamber of Commerce gives the Triggers office space at no cost but that would otherwise be \$600 per month out of their incubator; helped them find houses to live in as well as housing for the teams coming into town which has been a substantial impact. She said she can't get cheap rates for those accommodations because the hotels are full. The Tourism Board gave the Chamber \$20,000 to promote Trinidad as a whole. The Chamber of Commerce will have sponsored 38 events from May through the end of July that they promoted for the City of Trinidad. That \$20,000 just went into the media, not the marketing campaign, nor the administrative time. The Chamber is getting by on a very, very, very tight stream of money right now. She said they hope to get through July and maybe make a little bit of money for the Chamber of Commerce, but it looks like everything they will make will go right back out to the vendors, suppliers and them team. She said that's what they signed on for, but also did so with the City of Trinidad. The City of Trinidad hasn't paid \$1 to the Trinidad Triggers. If anything the team paid the City \$1,000 for the field and the City pays staff of the Parks & Recreation department to maintain that area, of which the Chamber has taken a large share of that. They hardly have any trash to pick up. Ms. Schultz summarized that there is very little money in the Trigger's account but said she hopes to make a few thousand dollars at the 4th of July event and into the month of July. The Chamber has been doing everything they can to diversify that project, including company picnics, just to get more people on site so they can buy food from the Chamber so they can float this project. She offered her financial reports to Council for them to examine and noted that her Board of Directors examines them every month at their board meetings. She said when accusations are made about the Chamber they are not only directed at her and her staff but they are

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also directed at 12 other people whom she has a lot of respect for, including a City representative. She told Council that the business community has been great with respect to the Triggers team and she thought \$40,000 would get them through this season because those were the numbers projected to the Chamber, but they probably could have used \$60,000. She said Justin Lowery and others from the team have helped her raise money they probably would have had more, but that wasn't the case. She revisited the fact that the league couldn't make payroll and reiterated that she had nothing to do with that. There were a lot of comments made to the newspapers before Mr. Lowery and the two other individuals just got up and left town, all to put the Chamber in a position to be thrown under the bus. They also tried to hurt our program by trying to take every player away from the team. He was trying to ruin the team from the inside out. There is still half a season left. There are 15 out of 33 games to be played in Trinidad that she said she has to try to make something happen. She has to get people on the field and money into the coffers because the team will travel again and will have to host again, not only in gas and hotels. She added that her insurance that this team will be fed when they travel out of town is that the Chamber also feed the visiting players and Trigger players after every game at a cost of \$50 to \$100 per night just in food. Ms. Schultz chalked up some of these experiences to a learning curve and growing pains of a new project, stressing that it is a good project for our town. She said she doesn't want to see it go to the waste side or ruined by people who aren't even here. The finances aren't great, she wishes they were better, but it is what it is. Mayor Rino said he didn't think there were accusations against her or the Chamber. Council just wanted to clear the air about the finances of the Triggers after reading the article in the paper. They wanted to know if the team is going to be able to survive. He added that he had heard the players hadn't been paid in two weeks. Ms. Schultz confirmed that they had not. She said she embraced this opportunity to address Council because the Chamber needs help with this project. She implored people to come out and Council members to come out and throw out the first pitch to draw people. The Chamber can't do this alone, but will. However, it is in the best interest of everyone if they are all on the same page. Mayor Rino asked if we'll have a team next year. Ms. Schultz assured that we would. The league commissioner is begging her to keep a good feeling about them so they can come back. The whole intent is to have eight teams in total. Currently there are six. The league wants two more teams in Colorado. They were looking at Durango but it is too far to travel, so they were talking to Pueblo West, are considering Alamosa or La Junta which are in the vicinity. Another option is the City could own its own team and pay into the league and manage it and do whatever it wants with it. Trinidad has a good venue and she said she'd like to see more infrastructure down there if they can make this happen, including restrooms and showers. It can be a fantastic facility. She told Council that stadiumjournal.com is a blog that travels all over the country. Not one town in the Pecos league had been visited and then Trinidad received a visit this year. They ranked Trinidad's venue at 2.6 out of 5 when they had a representative here on game #10, still working out the bugs. She said that's a great rating and Trinidad is on the radar. Ms. Schultz thanked Council members Bolton and Baca Gonzalez for attending the Governor's Cabinet meeting recently, as well as staff members. She said those people were taken back that Trinidad, a town of 10,000, has a professional baseball team. Other towns are asking her how they get one. She said she realizes they need to fine tune some things, such as when they initially were paying high transportation costs and fine tuned to get that cost to about half using the local market. Councilmember Bonato recalled having asked Ms. Schultz before the Triggers came to Trinidad how they would support themselves. He recalled that she said they would be self-supporting through sales of t-shirts and baseballs, etc. Ms. Schultz said the History Museum received all of the merchandise sales for this season. The only thing going back is whatever merchandise is purchased from the league. The proceeds are being retained by the museum. The Chamber has made some things less expensive to market. She pointed out that the league balls cost \$5.00 each and so the cost associated with doing this type of thing is tremendous. Councilmember Bonato recalled this being a concern before the team came. He echoed the Mayor's support of the team and the interest in keeping them here, but to be self supporting and getting on their feet is a tough deal. Ms. Schultz noted that from a business perspective, the start-up costs were high, as would be expected. They had their first game in Trinidad on May 8th and then not another one until about May 20th, two weeks later. They had no gate revenue for those two weeks, which pays the payroll. At the end of May, it was Memorial Day weekend, graduations, so attendance was low. May was bad because they had no starting cash flow. Now that she knows what to expect she said she will better plan. Councilmember Bonato asked the players' morale. Ms. Schultz said they were in a hostile work environment that's been cleaned up with a new manager and it has improved and they won their last two games. They are a great group of guys from all backgrounds. When they are at home in Trinidad they feel at home and they want the town to back and support them. The former manager was telling the players they had no money and trying to get them all to leave. He and two players did leave, but they got a new coach and won their last two games against a hard team. She told Council that the Chamber has been doing everything in their power to ensure their health, including a doctor's visit with each of them on the days they are here, food to eat and gas in their cars to travel. Councilmember Bonato asked their mode of transportation. Ms. Schultz explained that they started off with three Enterprise vans from out of Roswell that had to be picked up. It was a logistical mess that they did one time. Since then they used passenger vans from J & J Motors and U-Hauls or cars and that worked out better. Ray Duran gave the players gas cards. She concluded that they have 15 games in July. They had 18 between May and June. She reiterated that the 4th of July should be a great event. The City is sponsoring the laser light show. It will start at noon and will be a good community event. She concluded that she hoped they would all come out. Mayor Rino told Ms. Schultz that any time you start something new it can be tough. If they can get through this season, the next will be better.

Trinidad-Las Animas County Economic Development, Inc. Steven Kelly addressed Council. He provided Council with his professional background information. He said he has been a career salesman and is currently in the business of trying to sell Trinidad to businesses for them to locate here in this economy. He said it is not easy. He said he's had quite a few come and last year had several real good possibilities. Mr. Kelly told Council he is currently working with a group out of La Junta that is a distribution company wanting to move half to Trinidad and half to Pueblo. Pueblo would service northern Colorado and Trinidad would service southern Colorado and northern New Mexico. There is an opportunity to lease six parcels to them but it hinges on the railroad putting in a spur. The railroad's economic development department in Houston wants to do it but wants \$2.5 million. That company doesn't have it, nor does Economic Development. Mr. Kelly also told Council that the industrial park in Pueblo has all infrastructure in place. We don't and he said he doesn't know if we ever will. That company will probably go to Pueblo, consequently, however, they are still negotiating with them. He quoted an article from The Colorado Economic Development Office whereby it stated that on the national level signs of weakening are becoming more apparent. Recent data shows a slowdown in job growth, manufacturing, business and consumer spending. Continued low expectations about future economic growth combined with increasing uncertainty stemming from the European crisis and looming major fiscal federal issues will slow growth for the upcoming year. More businesses and households are in the wait and see mode before hiring, investing, or purchasing which is holding back economic productivity. Mr. Kelly said everyone that comes into his office is concerned about it and it is an election year. Councilmember Bonato asked what Economic Development has to offer to companies looking at Industrial Park. He said

he's read in the paper people are saying they won't come to Trinidad, blaming the Council turmoil. He said people don't understand that it is Mr. Kelly's job at Economic Development to bring business to Trinidad. He said Industrial Park is a pot of gold waiting to be discovered. We need to reach out and offer something to these companies. Maybe we could find ten or eleven small companies who employ 12 to 15 employees at a time. Mr. Kelly said at the Governor's Cabinet meeting he shared a table with, among others, the State Economic Development office representative, Ken Lund. A woman at the table asked why Trinidad can't bring businesses that employ 200 to 300 people. Mr. Kelly said he answered that Trinidad can't support that. We don't have the amenities for companies like that. We need a lot of small companies and Trinidad will eventually grow. Mr. Lund agreed with that assessment. Mr. Kelly pointed out that Trinidad has Pioneer, and the mine, but we have those resources. He said he's spoken with Lowe's, Home Depot, K-Mart, and will stay in from of them for when things are a little different. Right now we can't support a Lowe's or a Home Depot. Prior to former City Manager Gil de Rubio's departure he said they were in conversation about cleaning up the Industrial Park. Additionally, he said he recently learned of a memorandum of understanding with Trinidad State Junior College to help clean up Industrial Park in exchange of use of space in the park a few years ago. He said he was going to follow up on it and see if they can get that help. At one point the Industrial Park had 28 to 30 businesses; right now there are 12 – there are a lot of vacant buildings. He explained that when those buildings sell Economic Development won't get any money. Economic Development only gets money when they sell a piece of property. Mr. Kelly said he will be going out to Industrial Park and taking pictures of it to list on the MLS to market the property since he is a broker. When they sell, he clarified that he will not get anything from it; it all goes to Economic Development. Councilmember Bolton asked what funding Economic Development receives. Mr. Kelly said when he presents his budget he will have all of that information available, but it is not good. They receive funding from the City and the County and some grants as well, however the grants they used to receive are no longer available. Mayor Rino pointed out that in 2001 through 2004 the City's sales tax was up and the City funded Economic Development at a higher level. When the sales tax dropped thereafter, the City didn't have the cash flow to give to Economic Development. Mr. Kelly said he is not blaming the City. He said in years past they had up to a \$154,000 budget. He said he currently has an \$82,000 budget that he'll probably bring it in at around \$72,000. They currently have a restricted fund balance of \$190,000, verified by their auditors. That money can only be used for improvements to Industrial Park. Mr. Kelly said he'd like to sit down and talk to the City about doing something different with that money. Economic Development doesn't sell memberships or charge for their services. There is no way to bring money into the office. Mayor Rino commented that he has a difficult job at this time. Every city is fighting for any industry to locate in their city. We are fortunate enough to have Pioneer, XTO, the mine, the school districts, the City, County, hospital, nursing home and railroad are keeping the City going. Recently the sales tax has been increasing slightly each month, but the City went through two years of taking drastic measures, such as no raises and furloughs and other cuts. Mr. Kelly reiterated that he is not complaining, it is just really frustrating. He told Council of a small company from Arkansas whose CEO used to live in Trinidad years ago and wants to come back and he's been trying to get them to come here. They build airplane engines. The CEO is asking what incentives are being offered. She also said that she was really concerned about the political turmoil in the City. Her concern was how the City would help her with all of the turmoil going on. Councilmember Pando asked what needs to happen for Economic Development to make money in the Industrial Park. Mr. Kelly said the park has covenants and an association that was never put together. Had the association been established they could have charged occupants to belong to the association. If a business buys out in the Industrial Park, Economic Development doesn't get that money (for operating expenses), it goes into a pot. He said since he is a broker he can take care of the contracts and save about half of the commission, but it goes into the restricted fund. If a company leases a property, such as is the case with Amerigas, the monthly rent money goes into Economic Development's operating account. The company from La Junta that was looking at six parcels wants to lease. That would bring in \$4,500 per month. However, he reminded that he's not sure they will locate in Trinidad. Councilmember Baca Gonzalez suggested that with respect to the individual in Arkansas he approach her and ask that she create a list of what she wants the City to do – not saying that the City will, but it will give the City some parameters to evaluate. She should also be asked what her concerns are regarding political turmoil. Councilmember Baca Gonzalez said she could understand if the business were one that required Council to approve permits, etc. She continued that she can't understand the perception that turmoil will prevent a business from prospering. Mr. Kelly said he has asked what she would like us to do but hasn't received an answer so far. He hasn't asked her about her concern with regard to the political turmoil. He said he's talked about incentives with the former City Manager and has spoken to the Board of County Commissioners and County Administrator and they decided collectively that it was best of offer incentives on an individual basis. Councilmember Baca Gonzalez reiterated the need to explore their wish list so that it can be a win-win.

UNFINISHED BUSINESS. None.

MISCELLANEOUS BUSINESS. Consideration of bid results for City of Trinidad Asphaltic Paving, Project #02-2012. Councilmember Baca Gonzalez moved to award the project to the low bidder, A & S Construction in the amount of \$473,390. Councilmember Shew seconded the motion. Roll call was taken on the motion and carried unanimously.

Consideration of statement of support for Purgatoire River Watershed Stakeholders Coalition. Councilmember Baca Gonzalez moved that the City execute the Statement of Support for the Purgatoire River Watershed Stakeholders Coalition. The motion was seconded by Councilmember Bolton and carried unanimously upon a roll call vote.

Resolution authorizing the City Clerk to appoint judges of election, the use of electronic equipment, and designating the polling places for the Special Municipal Recall Election to be held on July 31, 2012. Councilmember Bolton made a motion to adopt the resolution as proposed. The motion was seconded by Councilmember Baca Gonzalez and carried with all Council members voting aye, except Councilmember Pando who abstained. Upon inquiry, City Clerk Garrett said the polling places will be Sebastiani Gymnasium and City Hall for permanent mail ballots and absentees. She also advised that she will be appointing judges used by the County for their elections and an adequate number of them based on expected voter turnout and their responsibilities. The City will be doing the mailing, however will use the County's voter registration list and they will produce labels for those who are on the permanent mail-in list. The City will use quite a bit of their electronic equipment and one of their staff members will be helping throughout the process. The City will be the election headquarters for the election results. Also electronic voting machines will be used to comply with Federal law (HAVA). She concluded that she will rely heavily on the County in a number of respects for this election.

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RESOLUTION NO. 1389

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TRINIDAD, COLORADO,
AUTHORIZING THE CITY CLERK TO APPOINT JUDGES OF ELECTION, THE
USE OF ELECTRONIC EQUIPMENT, AND DESIGNATING THE POLLING
PLACES FOR THE SPECIAL MUNICIPAL RECALL ELECTION TO BE HELD ON
JULY 31, 2012

BILLS. A motion to approve the bills as presented was made by Councilmember Baca Gonzalez, however abstaining from voting on check #40492 payable to Jim Duran, for masonry work, who is her first cousin to avoid any appearance of impropriety. The motion was seconded by Councilmember Bonato. Roll call was taken on the motion to approve the bills and carried unanimously, however with Councilmember Shew abstaining from check #40515 payable to him.

PAYROLL, June 23, 2012 through July 6, 2012. A motion to approve the payroll was made by Councilmember Bolton and seconded by Councilmember Baca Gonzalez. The motion carried unanimously.

Mayor Rino noted that July 31st is a fifth Tuesday and asked that no work session be held since it is the Election Day.

ADJOURNMENT. There being no further business to come before Council, a motion to adjourn the regular meeting was made by Councilmember Pando and seconded by Councilmember Shew. The meeting was adjourned by unanimous voice vote of Council.

ATTEST:

JOHN RINO, Mayor

AUDRA GARRETT, City Clerk