

The regular meeting of the City Council of the City of Trinidad, Colorado, was held on Tuesday, October 1, 2013 at 7:00 p.m. in City Council Chambers at City Hall.

There were present:	Mayor	Baca Gonzalez, presiding
	Councilmembers	Bolton, Bonato, Mattie, Miles, Shew, Velasquez
Also present:	City Manager	Acre
	City Attorney	Downs
	Asst. City Clerk	Valencich

The pledge of allegiance was recited.

APPROVAL OF THE MINUTES. Regular Meeting of September 17, 2013. A motion to approve the minutes as presented was made by Councilmember Bolton and seconded by Councilmember Mattie. The motion carried unanimously upon roll call vote.

PUBLIC HEARING. New hotel and restaurant liquor license application filed by PGE Enterprises, LLC d/b/a Krackalack Sports Grill at 416 University. Mayor Baca Gonzalez declared the hearing open and announced that she would be presiding over the hearing. She stated the purpose, an application for the issuance of a new hotel and restaurant liquor license request by PGE Enterprises, LLC d/b/a Krackalack Sports Grill at 416 University. Mayor Baca Gonzalez advised that the procedure for receiving evidence concerning the applicant's request for issuance of a new Liquor License will be governed by state law and city ordinances. The Applicant has the burden of establishing that the City's granting of the Applicant's request is warranted under applicable law. Mayor Baca Gonzalez asked the applicant if they were present and ready to proceed, and if so to step forward and identify themselves for the record. Richard Ewing addressed Council on behalf of PGE Enterprises, Inc. and stated he is co-owner along with his wife, Roberta. He added that they were the previous owners of the Dairy Queen, which has closed. He reminded that there is a 40-year history with Dairy Queen in his family and it is time to move on. Regarding bringing another sports grill/bar, he said it is more orientated towards food and allowing someone to come in and enjoy an adult beverage. It is not adult-beverage driven. Upon inquiry, City Attorney Downs also advised that he was ready to proceed on behalf of the City. Mayor Baca Gonzalez stated that there is certain evidence that needs to be taken into the record so that Council can establish whether or not there is a need. She said it is typically accomplished through questioning by legal counsel. She asked Mr. Ewing if he was represented by legal counsel, to which he answered that he was not. She asked if he was agreeable to City Attorney Downs eliciting the information through questioning. Mr. Ewing responded affirmatively. Mayor Baca Gonzalez advised that those who offer testimony will be sworn in, state their name and be identified as being 21 years of age or older and whether they reside in or their business is within the relevant neighborhood. She ascertained that the only party present on behalf of the applicant to provide testimony was Richard Ewing and he was sworn in. Mayor Baca Gonzalez called upon the applicant for opening statements if he chose to make one. Richard Ewing stated that the concentration of the other food and beverage establishments is primarily on Main Street. There is not too much in the immediate area. He said their hope is that after a ball game at the college or at the high school or baseball field, people will stop in. Their whole atmosphere is sports and good food and family, with an adult beverage available. He said that's why they are applying for the license. City Attorney Downs waived an opening statement. Mayor Baca Gonzalez called upon City Attorney Downs to question the applicant. City Attorney Downs noted that a rather extensive application packet has been received for this purpose and the information he will ask is contained in the packet but he will question him to enter it into the record. He asked Mr. Ewing if he is one of two members or principals of PGE Enterprises, LLC. Mr. Ewing advised that to be correct. Upon inquiry he testified that his wife is the other member; PGE Enterprises, LLC is the business owner of Krackalack Sports Grill, which is the trade name of the business that is the subject of the hearing. He further testified that he and his wife have owned PGE Enterprises, LLC for 13 years. He clarified upon inquiry that they intend to retain the Krackalack Sports Grill trade name. Mr. Ewing testified that he is a 51% member and his wife, Roberta, is a 49% member. He said he was a former owner of another liquor-licensed establishment; however he is no longer on that liquor license. Further he stated that he has not been on that license for approximately 14 years. Mr. Ewing testified that he has no other interest in a liquor-licensed premise. He reiterated that he had been at this location operating Dairy Queen previously. The address of the proposed licensed premises is 416 University, Trinidad, Colorado. He testified that he and his wife submitted to background checks and as far as he knows the results were satisfactory, not having a criminal history or having been in trouble before. He further testified that he disclosed all of the financial interest/ownership of the business and that the contents of the application packet reflect accurately the ownership of the building. Mr. Ewing stated that he and his wife provided the letters of character reference, and the diagram of the premise. He said a petition was circulated, however he was not the circulator, Marilyn Castillo was. She was a previous employee and will be a current employee. Also, Justin Falsetto who will be employed as well circulated a petition. They obtained about 57 signatures, all of which were in favor of granting the license. He testified that he is aware of his legal responsibilities if granted a liquor license. He estimated to employ ten minimum and 15 maximum employees at Krackalack Sports Grill. He said they would all be trained in the dos and don'ts of alcohol sales, however was not aware of the TIPS training program. Pete Sodo will be his day manager on a day-to-day basis. Mr. Ewing said he would be on premise on a day-to-day basis and Mr. Sodo will be second in charge. Mr. Ewing testified that he and his wife reside in Pueblo West and intend to remain there. There will always be a local contact in case of a problem, either the day or night manager. He testified that he understands the requirement to not allow alcohol beverages to leave the premises and to not serve to minors and all of the other legal requirements of holding a liquor license. Upon inquiry Mr. Ewing testified that after having the petition circulated that it is his understanding the community supports another license being issued. Councilmember Bonato said he noticed the Dairy Queen sign is still up. He asked if the sign will have to come down before the permanent license is issued. City Attorney Downs said he believed that sign will have to come down before the license is issued and would have to clearly reflect that it is now Krackalack Sports Grill. Mr. Ewing advised that the majority of the signs would be removed this Thursday. There being no further questions from Council, Mayor Baca Gonzalez called for questions from parties in interest, for or against the application for a new license. There were none. City Attorney Downs

advised Council that he had no further questions and asked that they receive the packet tendered on behalf of this applicant and consider it in their deliberations in whether or not to issue the license. He stated that legally at least a threshold burden has been met. Closing statements were waived by the applicant and City Attorney. Mayor Baca Gonzalez closed the public hearing. Councilmember Bolton moved for approval of the license with the findings as follows:

This matter came on for hearing on the application of PGE Enterprises, LLC d/b/a Krackalack Sports Grill at 416 University Street in Trinidad, Colorado, for a Hotel and Restaurant Liquor License, before the City Council of the City of Trinidad, Colorado, acting in its capacity as the local licensing authority on October 1, 2013, in City Council Chambers in City Hall. The City Council having reviewed the application and supporting documents, letters of recommendation, reports of the City Clerk and other City staff, petitions admitted into evidence at the hearing and testimony taken during the hearing, makes the following **FINDINGS**:

1. The neighborhood consists of that area located within the City's corporate limits.
2. Richard Ewing testified in favor of granting the license. No other persons testified in favor of or in opposition to the granting of the license.
3. The City Clerk's report showed that there are 39 liquor-licensed outlets within the neighborhood. Of these, there are four 3.2% Beer Off-Premises licenses, one 3.2% Beer On-Premises license, one Club license, 13 Hotel and Restaurant licenses, one of which has Optional Premises, eight Liquor Store licenses, and 10 Tavern licenses, one Arts license and one Beer and Wine license.
4. The applicant submitted a petition regarding the liquor license application, which was admitted into evidence. A total of 57 signatures appeared on the petition, of which 57 were residents or business owners/managers from within the neighborhood, 21 years of age or older, all favoring issuance of a liquor license at this location. No petitions opposing the issuance of the license were submitted.
5. The applicant through testimony and other evidence, made a prima facie showing that the reasonable requirements of the neighborhood are not being met by existing liquor outlets, and that the adult inhabitants of the neighborhood favor issuance of the license.
6. Based on the evidence presented at the hearing and the investigative materials provided for the hearing, the City Council finds that the reasonable requirements of the neighborhood are not being met by the existing liquor outlets, that the adult inhabitants of the neighborhood favor issuance of the license to the applicant, and that the applicant officers are of satisfactory moral character.

THEREFORE, the City Council of the City of Trinidad, Colorado, as the local liquor licensing authority, hereby approves the application of PGE Enterprises, LLC d/b/a Krackalack Sports Grill at 416 University Street in Trinidad, Colorado. Councilmember Shew seconded the motion. Upon roll call vote the motion carried unanimously.

PUBLIC HEARING. New Beer and Wine liquor license application filed by Mattorano Enterprise, Inc. d/b/a Lee's Bar-B-Q at 825 San Pedro Avenue. Mayor Baca Gonzalez declared the hearing open for the following purpose, an application for the issuance of a new Beer and Wine liquor license requested by Mattorano Enterprise, Inc. d/b/a Lee's Bar-B-Q at 825 San Pedro Avenue. Mayor Baca Gonzalez advised that the procedure for receiving evidence concerning the applicant's request for issuance of a new Beer & Wine License will be governed by state law and city ordinances. The Applicant has the burden of establishing that the City's granting of the Applicant's request is warranted under applicable law. Mayor Baca Gonzalez asked the applicant if they were present and ready to proceed, and if so to step forward and identify themselves for the record. Anthony (Tony) C. Mattorano addressed Council on behalf of the Applicant. Upon inquiry, City Attorney Downs also advised that he was ready to proceed on behalf of the City. Mayor Baca Gonzalez instructed those giving testimony that they would be required to be sworn in. Having determined that Mr. Mattorano was the only one to provide testimony, he was sworn in. Mayor Baca Gonzalez called for opening statements. Mr. Mattorano expressed his appreciation for being able to do this. He said the restaurant is mainly food, not alcohol. They just want to provide another service to our community. The restaurant serves between 150 to 200 people per day and they have had many requests for a beer or a glass of wine. He said they don't want to have to mix drinks. Mr. Mattorano said the business is flourishing with the Lee's product and going very well and they just want to add to it by offering beer and wine. He said it would not be their primary business by far, but they would like to have it available. City Attorney Downs declined to offer an opening statement. He proceeded to questioning. Tony Mattorano testified as follows upon questioning: the principals of Mattorano Enterprise, Inc. are Frank and Bernadette Mattorano; Frank Mattorano is present and Mr. Tony Mattorano was speaking on his behalf this evening; the owner of Lee's Bar-B-Q is Mattorano Enterprise, Inc.; the corporation is comprised of Bernadette and Frank Mattorano, a married couple and the officers, directors and shareholders of this corporation; the address of the premises is 825 San Pedro Avenue; Mattorano Enterprise, Inc. is formed and exists to own and operate Lee's Bar-B-Q; Lee's Bar-B-Q is the only business owned by Mattorano Enterprise, Inc.; Mattorano Enterprise, Inc. has owned Lee's Bar B-Q for one year and three months, having purchased it 15 months ago. Mr. Mattorano further testified that the application packet contains true information and letters of recommendation, as well as an accurate diagram reflecting Lee's Bar-B-Q; Frank and Bernadette Mattorano are mindful of their legal obligations if granted a liquor license; they have had concerns with respect to adequate training of alcohol servers; they have also had concerns of people coming in to eat who are already intoxicated and what they need to do with those patrons; they understand what comes with the territory and the things they will have to take care of; they understand that those who serve alcohol will have to be of sufficient age and be trained in things like detecting signs of intoxication and not serving those who are intoxicated as well as not allowing alcohol outside of the premises; Mr. Mattorano added that they have had to send people out of their establishment, even though Lee's doesn't sell alcohol, who came in intoxicated; the financial documents furnished are accurate copies of the original; there is only the one mortgage and the information was provided; they have only one other financial obligation for the business to Robert Lee for the purchase of the Lee's Bar-B-Q name and three recipes; Mr. Lee is not considered to be an owner of the business; the petition circulated in support of the application was done so by an employee, Phil Lopez; there was one minor who signed the petition resulting in 25 valid signatures out of 26; all signers were in favor of the granting of the license; a need exists in the City and in different areas - theirs is not for people who want to drink but for people who are

eating and want to enjoy a drink; it is not the same as a bar or establishment where that is their primary business, opining that he felt we have plenty of those establishments; this is for convenience; they don't want anyone just sitting down and ordering a drink – if you don't order something to eat you will not get a drink; it is to be able to serve a glass of wine to someone with their pasta or a beer with their chili fries. He continued that it is his understanding that it is the desire of the neighborhood that this license be granted to Mattorano Enterprise, Inc. for Lee's Bar-B-Q; it was reiterated that Frank and Bernadette Mattorano understand their legal obligations; Tony Mattorano testified that he and Frank and Bernadette Mattorano are all life-time residents of Trinidad. Mayor Baca Gonzalez called upon Frank Mattorano to make an appearance and state his name as being present for the record. He complied. Mayor Baca Gonzalez called for questions from Council. There were none. She then called for testimony from parties in interest, for or against the granting of the new license. There were none. Tony Mattorano in closing said they would appreciate the opportunity to be able to serve people with beer and wine. City Attorney Downs said he'd like the submission to stand on its own and said that he believes there has been a showing that legally at least a threshold burden has been met. Mayor Baca Gonzalez declared the public hearing was closed. Councilmember Mattie moved for approval of the license with the findings as follows:

This matter came on for hearing on the application of Mattorano Enterprise, Inc. d/b/a Lee's Bar-B-Q at 825 San Pedro Avenue in Trinidad, Colorado, for a Beer and Wine Liquor License, before the City Council of the City of Trinidad, Colorado, acting in its capacity as the local licensing authority on October 1, 2013, in City Council Chambers in City Hall. The City Council having reviewed the application and supporting documents, letters of recommendation, reports of the City Clerk and other City staff, petitions admitted into evidence at the hearing and testimony taken during the hearing, makes the following **FINDINGS**:

1. The neighborhood consists of that area located within the City's corporate limits.
2. Tony Mattorano testified in favor of granting the license. No other persons testified in favor of or in opposition to the granting of the license.
3. The City Clerk's report showed that there are 39 liquor-licensed outlets within the neighborhood. Of these, there are four 3.2% beer off-premises licenses, one 3.2% beer on-premises license, one club license, 13 hotel and restaurant licenses, one of which has optional premises, eight liquor store licenses, and 10 tavern licenses, one Arts license and one Beer and Wine license.
4. The applicant submitted a petition regarding the liquor license application, which was admitted into evidence. A total of 25 signatures appeared on the petition, of which 25 were residents or business owners/managers from within the neighborhood, 21 years of age or older, all favoring issuance of a liquor license at this location. No petitions opposing the issuance of the license were submitted.
5. The applicant through testimony and other evidence, made a prima facie showing that the reasonable requirements of the neighborhood are not being met by existing liquor outlets, and that the adult inhabitants of the neighborhood favor issuance of the license.
6. Based on the evidence presented at the hearing and the investigative materials provided for the hearing, the City Council finds that the reasonable requirements of the neighborhood are not being met by the existing liquor outlets, that the adult inhabitants of the neighborhood favor issuance of the license to the applicant, and that the applicant officers are of satisfactory moral character.

THEREFORE, the City Council of the City of Trinidad, Colorado, as the local liquor licensing authority, hereby approves the application of Mattorano Enterprise, Inc. d/b/a Lee's Bar-B-Q at 825 San Pedro Avenue for a Beer and Wine Liquor License at 825 San Pedro Avenue in Trinidad, Colorado. Councilmember Velasquez seconded the motion. Upon roll call vote the motion carried unanimously.

PETITIONS OR COMMUNICATIONS, ORAL OR WRITTEN. Rob Millspaw addressed Council. He told Council he was before them to discuss a grievous oversight that has been perpetuated upon him by the City of Trinidad. He explained that in November, 2010, he was selected as a finalist for the Planning Director Position. Former City Manager Ed Gil de Rubio, when he invited him for the interview, said the city would reimburse his travel expenses to and from the City of Trinidad. Because Mr. Millspaw was in the process of moving from the Pacific Northwest to New Mexico, he suggested he be reimbursed mileage for one-way travel to drive down and the airfare to fly home. Mr. Gil de Rubio agreed. Mr. Millspaw said it is now October, 2013, and he has yet to see a reimbursement check for his travel expenses from the City as was promised by Mr. Gil de Rubio. He said he has 28 e-mails back and forth between Mr. Gil de Rubio and Anna Ridolfi. Most of them were not responded to, but there were quite a few excuses, for example the City didn't have the money to pay him, another was that the City was doing an audit and would have to wait until it is complete, and another excuse was the other two candidates did not request reimbursement. He said that didn't mean all three didn't want to be reimbursed for their travel expenses. Mr. Millspaw said he had written a letter in June, 2012, for former Mayor John Rino explaining the circumstances and requesting reimbursement. He read the letter aloud. The letter stated that he submitted a request three times. The airfare was \$204.10. Mr. Millspaw said he understands Mr. Gil de Rubio was removed as City Manager and the City has a new manager. He said where he comes from a promise is a promise. He added that he drove all the way from his hometown of Surprise, Arizona, to be here to let them know he is still waiting for reimbursement for his travel expenses and he would appreciate anything Council may do to effectuate this. Mayor Baca Gonzalez asked him to meet with City Manager Acre first thing the following morning. She apologized for it having taken this long to give him a response and said it needs to be accelerated. City Manager Acre advised that this is the first he has learned of the matter. Councilmember Mattie asked for a copy of the documentation he holds relative to this issue. He asked the total due. Mr. Millspaw said the airfare was \$204.10 and Mr. Gil de Rubio said the City would pay mileage, however he didn't recall what the IRS rate was at that time. He drove 1,514 miles one way.

Bob Quist, Chief Executive Officer for Mt. San Rafael Hospital, approached Council to speak about Referendum 5A. Mr. Quist stated that he has been here about 18 months and is a resident of Trinidad. Mr. Quist stated he would like to take this opportunity to give Council some background information on where they are and why as a health services district and as

a hospital are supporting Referendum 5A. The referendum asks the voters to support the hospital and related health needs to the tune of seven mills, which is about \$2.6 million dollars annually. In the state of Colorado there are 26 rural hospitals of which only two do not receive any kind of support from their community. Trinidad is one of those two, along with Fruita. The average contribution through taxing authorities to these other facilities runs about \$3.6 million dollars. He said they are asking for enough to help support the increasing level of charity care, but more than that, to allow them to have a safety net so that some of the things that have been identified over the last 18 months can be moved forward. Mr. Quist continued that about a year ago they did a rather extensive community needs assessment which the IRS requires at least every two to three years. They involved a great number of community leaders and it helped them bring together the concerns, ideas and issues the community has about health services countywide. They have taken the issues very seriously and quickly realized there were some things they could work on. They are aware that they have been a controversial issue in the community for a lot of years, but not necessarily the quality of care, as they have always had a high quality of care, but rather the personal care, the community relations, the service attitude. They have brought in a new manager for their rural health clinic and she has done a phenomenal job over the last six months. Mr. Quist said the hospital still has some issues in the business office but have a very good chief financial officer and he is working on those issues. Mr. Quist said he wanted to assure City Council and the public that if the voters are kind enough to support this referendum they will be good stewards of those dollars and they will be put to good use. Additionally, he said he wanted Council to know that great changes have taken place and great things are happening. They are getting close to getting back to financial stability but have no opportunity to grow and cannot add key services that need to come into this community, i.e. orthopedics, oncology and expanding the emergency room. He said he hoped that Council will consider, at least individually, supporting their effort. This is so critical to our community and as Council is aware the hospital is an economic driver. Councilmember Mattie commented that the hospital plays a very vital role in the community. Mayor Baca Gonzalez stated that as we move forward in attempting to attract economic development, the conditions of the schools and hospital are critical in the decision of someone relocating here. This is the ideal time to perhaps explore a joint meeting between the hospital board and City Council so that we can get a better understanding of our mutual needs going forward to build bridges rather than fences. Mr. Quist pointed out that the board will be an elected board. It has been appointed previously because it had become inactive, but there is an election in May so the funds will be overseen by a group of five elected members. Councilmember Miles stated that she read that the average impact of someone owning a \$150,000 home would be about \$84 a year. Mr. Quist confirmed that statement adding that it is a little higher for businesses but economic growth is dependent on infrastructure. Councilmember Miles asked what would be the top priorities with the revenue generated. Mr. Quist said they hear constantly a request for orthopedics and oncology. However, it would not be a full oncology service. It is sad that so many community members have to drive north in a condition where they already feel lousy, have their treatment, and then have to drive home. He said we can do that here. Then there is our emergency room which continues to grow. We have one of the best ER's in the state. Those are the priorities along with a strategic plan for the entire community and deciding what we may have to do with an aging facility. In addition to concentrating on the retention of doctors and physician recruitment, he said they have been having conversations with the University of Colorado cardiology group out of Colorado Springs, and Dr. Glass has been coming down once a month. They have asked him to come down weekly and will support him anyway they can. So, he concluded they will have at least weekly coverage and would like to expand beyond that to have a cardiologist in the community.

COUNCIL REPORTS. Councilmember Bolton had nothing to report this evening.

Councilmember Shew likewise had nothing to report this evening.

Councilmember Mattie reported that last week he attended the COG meeting as the City's representative and they are in need of a letter from the City indicating the City's desire to participate in the multi-modal station. He stated that he thought he may have heard Ms. Frasier speaking with Planning Director Fineberg at the conclusion of the meeting with CDOT so that information may have already been passed on. City Manager Acre stated he would follow up with Planning Director Fineberg. In addition Councilmember Mattie told Council that he attended the celebration of the 100 year anniversary of the Ludlow Memorial. He and Councilmember Miles had the occasion to go to the Bloom Mansion and listen to Mother Jones, which was outstanding, and then we all went to the memorial ceremony at Ludlow. He said as he listened to all those stories, and having had some personal experience in as much as his grandfather came here in 1911 for the sole purpose of working in the mines and was up at Hastings at the time, it occurred to him that 27 different languages were spoken at that mine camp. The thing that made them successful in weathering the storm and weathering the massacre was that 1) they were resolute; 2) they were resilient; and 3) they were united. He added that he believed that learning from our history and our past is a lesson to the City of Trinidad and all the people like the hospital, schools the County Commissioners and everyone else. He concluded that we need to be resolute, we need to be resilient and most of all, we need to be united in whatever we are trying to do for the betterment of our area. He said he used the word "area" so as to include region because as the City goes, he believe so goes the County.

Councilmember Miles told Council that she also attended the ceremony at the history museum and was really inspired by Mother Jones as well. Trinidad has fallen on bad times, but she learned about the root stock of this community first hand. It was really quite moving to her, she said. Mother Jones spoke of losing four children to yellow fever in one year. It was very touching. Thereafter she said she attended the ceremony at the massacre sight and regretted never having gone before. There were 600 to 700 people there, union people from all over the county, from all different types of unions. She concluded that as Mayor Baca Gonzalez and Councilmember Mattie can attest, they sat through three hours of speeches without break and she had never sat through three hours of speeches and had her attention captured as much as she did on Sunday.

Councilmember Velasquez had nothing to report this evening.

Councilmember Bonato echoed what Council members Mattie and Miles said about the Ludlow memorial. He said he thought that Mike Romero and Mr. Butero should feel good that this event went so well. He said he was humbled, having been raised with his dad being a coal miner, as well as his grandpa and uncles. Councilmember Bonato agreed with Councilmember Mattie that we have to become united. If we become united, a lot of our bad situations that we are going through now with budgets, etc., will result in positive things come out of it. He said he was really glad that Council attended and a lot of the people from town did as well. He thanked Mr. Romero, Mr. Butero, Yolando Romero and everyone

involved for the great ceremony and for coming here for it.

Mayor Baca Gonzalez said she also attended the Ludlow celebration and enjoyed sitting there listening to the representative from the United Mine Workers. She said her dad was a miner and the fact that she was also a member of a union, the Communication Workers of America, she sat there and it was déjà vu. When she heard those speakers and reflected back on what her dad told her when he was working in the mines, she felt that it is so important that we give credit to the unions because they have fought to bring a living wage to people here in the United States, plus the safety issues. Her grandfather told her when he worked in the mines he went to work with his father when he was still a child and actually saw his father, Tomas Abeyta, killed in a fall of rock and coal in Bon Carbo. So it is unbelievable what our ancestors went through and it is just so important that we recognize the hard work that has been done by the unions to try to raise the standard of living and to raise the standard of safety for all of our workers here in the United States. Mayor Baca Gonzalez added that she also had the privilege to attend a Casing Ceremony at Fort Carson. It was held prior to the deployment of the 2nd Battalion 4th Infantry which was the military that came down here for a rotation in the spring at Pinon Canyon. She said she had never seen a more moving ceremony and knowing that all of those young men and women are being deployed overseas during these tough political times when we have problems with financing through our government plus the world issues we are facing in the Middle East. It is very important that we recognize that these young men and women are putting their lives in danger for us and they are going overseas to protect us and to help their citizens back home.

REPORT BY CITY MANAGER. Budget. City Manager Acre pointed out that he placed a draft 2014 budget and CIP budget at the seating places. He said staff will present information next week and they will begin discussions. He said we still have a long way to go to balance the budget but will get there.

Facilities' Tour. City Manager Acre told Council he sent out an email late this afternoon to schedule Council members to take a tour of City facilities on either this Friday afternoon or next Monday afternoon.

Schedule. City Manager Acre informed Council that he will be out of the office next Thursday for his wedding anniversary as well as an Action 22 conference on Friday and Saturday in Colorado Springs. He said he will also be attending the ED fall conference in Denver next week on October 17th and 18th.

North Lake. Councilmember Miles asked if there is any further progress on North Lake. City Manager Acre answered that this will be discussed in more detail in the executive session. They are making good progress now. The biggest issue has been getting the spillway basin dewatered. They were able to get that done today and will be pouring the first portion of concrete tomorrow. The contractor is also 90% done with the berm fill, which is extending the berm at the downstream slope of the dam. They have done the test section for the grouted riprap which will take some time, but the contractor is working on a couple of things simultaneously now. The spillway pipe needs about one more day. They are waiting on a specially manufactured last section of pipe to make it fit. The contractor said today that he thinks he will have all the substantial work done by the end of the month.

REPORT BY CITY ATTORNEY. Grand Opening. City Attorney Downs told Council that he had the distinct pleasure of attending the Grand Opening of Councilmember Bolton's antique store last Friday. He said it is a gorgeous building housing her new business, Coin Dancer Antiques.

UNFINISHED BUSINESS. Approval of Property/Casualty and Workers' Compensation insurance coverage renewal through CIRSA (Colorado Intergovernmental Risk Sharing Agency) for 2014. Mayor Baca Gonzalez reminded that this item was reviewed at the last work session. City Manager Acre stated that it has been modified (at Council's suggestion) to reflect a \$1,000 deductible on the workers' comp policy. Councilmember Bonato asked if it was last week that Councilmember Bolton asked for the number of claims processed for the last year. Councilmember Bolton answered that there were eight claims to date and Councilmember Miles pointed out that \$1,000 seems to be the sweet spot. She added that if we stay within that range we can have a savings of \$16,546. City Manager Acre stated that it is the goal of management and all employees to keep that number down. Mayor Baca Gonzalez encouraged City Manager Acre to include additional training as the City does not want to see employees injured. Safety training is important. Councilmember Bolton made motion for approval of Property/Casualty and Workers' Compensation insurance coverage renewal through CIRSA (Colorado Intergovernmental Risk Sharing Agency) for 2014 as modified. The motion was seconded by Councilmember Shew and upon roll call vote carried unanimously.

MISCELLANEOUS BUSINESS. Special Event Permit (Malt, Vinous and Spirituous) request by Arthur Roy Mitchell Memorial, Inc. at 105 E. Main Street for October 19, 2013 (Black & White Ball). Paula Little was present to represent this item. She told Council that this permit request is for the Black & White Ball which is called Spurs & Lace this year. There are 60 posters hanging around town. The tickets are \$35 and corporate tables are available. Sponsorships are also available with lots of perks. The dessert auction will be held again this year, there will be dancing to the tunes of Whiskey Creek and a regular silent auction as well. She said it will be a fantastic evening and invited everyone to attend. Ms. Little added that the Smithsonian show received a one-week extension so it will run through October 12th. The show at the museum is having great response with many tourists coming in. Mayor Baca Gonzalez thanked Ms. Little for her great leadership in bringing this display to the City. Councilmember Velasquez made a motion to approve the special event permit as requested and the motion was seconded by Councilmember Bolton. Roll call was taken and the motion carried unanimously.

Hotel and restaurant liquor license renewal request by Image Hospitality, LLC d/b/a Quality Inn at 3125 Toupal Drive. Mayor Baca Gonzalez determined that no representative was in the audience for this item. Councilmember Bolton moved to table the renewal request due to lack of representation and Councilmember Velasquez seconded the motion. Upon roll call vote the motion carried unanimously.

Purchase of two trucks from Pioneer Natural Resources (one for Gas and one for Power & Light). City Manager Acre pointed out to Council that there is information in the packets concerning this item as well as additional information concerning the entire City fleet. He said that even though this appears to be a good deal, based on where we are with the

budget, the vehicles we have can probably last us a bit longer. He recommended not to purchase the trucks but brought the matter forward for Council's consideration. Councilmember Shew moved, based on City Manager Acre's recommendation, to not approve purchase of the trucks. Councilmember Velasquez seconded the motion. Councilmember Miles stated that she spoke with Lee Hadaway from the City Garage and although he feels this is a great deal he also feels that the fleet is manageable at its current level and she said she is inclined to agree. Councilmember Bolton stated that while this is a very cost effective purchase, after having the opportunity to look through the inventory of the City fleet, these two trucks do not seem to be as important as some of the other needs we are facing. She added that she found it dispiriting to see that we have numerous vehicles dating back to the 1990s with close to 200,000 miles and even more frightening to see the fire department's ladder truck is a 1975 with 150,000 miles. Councilmember Mattie said that this only exemplifies the need to be mindful of the obligation we have to reinvest and to be in a place where we are vehicular solvent. He said we have the reality of the budget to deal with and at this point it is the appropriate decision not to purchase the trucks. Councilmember Velasquez stated that she has noticed that some of the vehicles at the police department are really old. She said she wonders how they get from point A to point B. City Manager Acre stated that our maintenance staff has done a good job and replaced a couple of engines in police vehicles this year which has been more cost effective than replacing the vehicles. Staff has stated their wish list for next year but they understand the budget situation and will look at them the following year depending on the budget situation then. As far as fire vehicles, City Manager Acre said we can look at grants to offset the cost as they are very expensive pieces of equipment and they are well within being operational. However, we need to start paying attention to them. Councilmember Mattie interjected that while we want all our employees to get where they are going safely and all equipment to be in proper working order, the nature of emergency response vehicles is just a little bit different in the way they are driven and how they are depended upon in the interest of public safety. Mayor Baca Gonzalez stated that is another reason to get out there and make the citizens and voters aware that we have to have the change to the Home Rule Charter because if the fire truck were to become disabled we would have to buy one immediately, but we could not take advantage of a low interest loan with the way the Charter is nor could we enter into a lease purchase for police vehicles. It is important that we get that message out. We are looking at approximately \$37,000 for the purchase of these two vehicles but with the pressures that are going to come to bear in terms of insurance premium costs, we need to save every nickel we can so that we are not balancing the budget on the backs of our employees. We will have to look long and hard and make tough decisions for this budget. Councilmember Mattie stated that it was pointed out at the COG meeting recently that Lennace from USDA said there is some very low interest money available, but it doesn't do us any good because we can't get involved. Mayor Baca Gonzalez reiterated the need to get the word out to the voters. Roll call was taken on the motion to not purchase the vehicles and it carried unanimously.

2013 Non-Profit Funding. City Manager Acre stated that he provided several options in the packets to consider with respect to how they might want to address the non profits for the remainder of this year and also provided suggestions, that don't have to be discussed tonight, that are ideas to consider as we move forward with budget discussions on how to handle non-profits in 2014. The options are: 1) that City Council can authorize funding the 2nd half of the non-profit requests at full funding as proposed in the 2013 budget as per the attached table; 2) Council can open it up and ask for other non profits that may not have applied the first time to come back and ask for some funding using the remaining funding balance; 3) Council could just fund the non profits that provide services that are directly deemed necessary for outreach in the city and if that non-profit weren't providing that service the City would have to. In regards to Crossroads Turning Point and Noah's Ark Animal Welfare, he said the City has contracts with both and in essence we funded them to the contracted amount but they asked for additional funding and we tentatively agreed to give them more. These services are something that if they did not provide it we would have to look elsewhere for an animal shelter for instance; and 4) Council could decide not to authorize any of the additional funding due to budgetary concerns and may have some other ideas. Councilmember Bolton asked in regards to Crossroads, why both of the contracts she reviewed reflect that the City's obligation is \$24,000 a year but in looking at the chart it shows the 1st half allocation and payment to them in the amount of \$26,000. City Manager Acre stated that is correct as they had requested \$26,000 and said if we did not pay that amount they would pull out of Trinidad. He said he spoke with the director and let him know we need to make that correction to the contract. Councilmember Bolton asked if the State is continuing to fund Crossroads. City Manager Acre answered affirmatively, but said he is not aware of the amount right at this moment. However, it is a pretty significant amount that the State pays to offset what we provide or we would have to provide even further additional funding. Councilmember Bolton confirmed that if the state does not fund them then the City would be released from its obligation. City Manager Acre stated that if that were to happen the City would still be faced with what to do with those clients. He asked Council to recall their previous discussion where it was determined that if we do not have a facility it would cost us 2 $\frac{1}{2}$ to 3 times the cost of what we are paying now so it seemed more prudent to pay the additional money. Councilmember Bonato asked if the only three (3) under contract are Crossroads, Noah's Ark and the Senior Center. City Manager Acre stated that is correct however, the Senior Center is only for utilities, cutting the grass and snow removal. It does not have a dollar amount that we are required to fund. Councilmember Bonato said that it is forced on Council to just look at those that we have contracts with and not the others. He said perhaps this is wrong, but we have to fulfill our contracts and if the funding is there that is first priority. City Manager Acre stated we have met the contract requirement for Crossroads and Noah's Ark and the Senior Center as it is spelled out. Councilmember Bolton stated that the current contract for the Senior Center does not provide any of the dollar amounts that come out of this portion of the budget. Councilmember Mattie confirmed that we have met the contract requirements for Crossroads, Noah's Ark and the Senior Center so we are now considering if we want to contribute to the others with additional funding to the Senior Center and Noah's Ark as they have requested additional funding. He said that it is his opinion that we have a gentleman's agreement that we owe them the second half and we are obligated to honor that. He added that he does not believe we need to expand our liability by inviting more participants. For the time being we need to honor our commitment to those that have not been paid the 2nd half. Councilmember Miles stated that her recollection is slightly different, stating that Council opted to take a second look at the sales tax revenues and the downward trend that was taking place, and therefore feels the second half payment was not a commitment. Given the roll that Trinidad is on with Creative District, she said she feels that the arts are very important to economic development and would like to make some room to admit the A.R. Mitchell Museum and SCRT to the list of non-profits. SCRT received no money from Tourism last year and the A.R. Mitchell Museum has not seen any money for some time. She suggested they could allocate \$1,000 to these two entities. The others have received their first half and if the prorated amount is dinged by only \$2,000 that is not a lot to give in order to support those two very important institutions. Councilmember Mattie asked for dollar amounts. Councilmember Bolton pointed out that in the table provided the 2013 Allocation column for Trinidad Arts and Cultural Advisory Commission shows \$4,500 remaining due to them but it should be only \$2,250 that is due to them for the 2nd half. It was determined that

without Crossroads there is \$44,785 left on the table for distribution. Mayor Baca Gonzalez stated that \$44,785 is a big chunk of change that could go toward our current financial dire straits. Having said that, she added that the Senior Center and Noah's Ark, in her opinion, are two that absolutely need to receive the 2nd half commitment. As for the others she said she is looking at the possibility that this could be another pot of cash that can be applied to the hardships as we are looking at insurance premiums. She said she is concerned about just trying to hang on to every nickel we can as hard as that is so that we are not putting our employees at risk. Looking at \$44,785 and taking \$12,500 out for Noah's Ark, \$9,675 for the Senior Center, that would leave about \$20,000+ that can be put back in the pot to apply towards those other needs that are hanging for our budget, both this year and next. Councilmember Miles stated that it is one thing to drive a truck for another 10,000 or 12,000 miles, but something different to put hurt on things that are important for economic development. Councilmember Bolton stated that these things are important to our community and our children and certain types of people in need and she may have gone along with not distributing the 2nd half if we had visited that back in June when we were supposed to, but at this late date she does not see in good conscience how we cannot fund them at all other than the four select. Councilmember Bonato stated that he thinks people in town know just how our budget is and they know the problems we are having now. Everywhere is having budget problems and he agrees with the Mayor that we have to tighten our belts. These are tough decisions and we have to pull together and people are going to have to understand that we have to make major cuts. We are looking at a big deficit and would love to help all these people that help us with our town, but people are willing to understand the financial dire we are in now. Putting this extra money away, the \$37,000 from the trucks, doesn't sound like a lot of money but in our dire straits it is a lot of money. He agreed with what the Mayor said and our citizens will agree with the kind of position we are in now. He said he knows it is not fair but we have to tighten our belts somewhere and if we are going to make it through this budget we better do something and do it now and not wait. Mayor Baca Gonzalez reiterated that if we have a total of \$44,785 and we subtract \$12,500 for Noah's Ark and \$9,675 for the Senior Center that leaves \$22,610 on the table. The only other two that are absolutely critical is Advocates Against Domestic Assault (AADA) and the Southern Colorado Developmental Disabilities Service (SCDDS). AADA pertains to individuals that have been abused and gives our law enforcement a place to take a victim of assault and sometimes there are children involved. SCDDS provides for some of the citizens in our community with developmental disabilities that need as much support as we can possibly give them. Including these two in the process, that is another \$3,485 for AADA and \$675 for SCDDS and that would leave us with \$18,450. Councilmember Bolton asked Mayor Baca Gonzalez why she is not proposing funding to the Chamber of Commerce and Economic Development. Mayor Baca Gonzalez stated that she feels we should hold on to the remaining \$18,450. The Chamber can solicit contributions from memberships and ED is getting back on its feet and they have a mechanism for funding called "Pay to Play." Councilmember Miles stated that ED is running on fumes, there is no executive director and no money coming in from the county. She said she would like to table ED until Council has a conversation with the county officials. She said she thinks if they do not receive some money they will have to close their doors. Councilmember Bolton stated that she feels this proposal is pulling the rug out from under organizations that have waited this long, since June, to learn whether or not they are going to get their other funding. Councilmember Velasquez added that at the last work session ED was only discussed, not the Chamber of Commerce. She said she also agrees that there is no money and feels that if the City is not giving money to the Chamber then they should not give it to ED. Councilmember Miles said that she only used that as an example of one of the first casualties of no funding. She said she is a supporter of the Chamber and considers them equivalent to ED. Councilmember Velasquez stated that she would have a preference to AADA because these people need to have a place to go. Councilmember Miles reiterated that we have a basket we cannot touch, i.e. Crossroads, Noah's Ark and the Senior Center and the Mayor is suggesting adding AADA and SCDDS to that. If they do that then they can take the remaining basket and allocate it proportionally among the others. She added that when she looks at the list she feels everyone is in desperate need of support and \$18,000 doesn't seem to be such a big investment compared to what these organizations and their continued viability can contribute to the community in the future years. Councilmember Bolton stated that they are all hanging by a string and they all depend on the City and all help with things that promote our town. Councilmember Mattie stated that we are left with \$18,450, and wondered if we'd get a bigger bang for that buck by saving it and using it for whatever needs the City may have, or if we'd get a bigger bang if we chose to exhaust those resources to help sustain all these different programs. He said he feels the latter makes more sense. Councilmember Shew stated that we are working on a budget for 2014 and this money has already been budgeted for 2013, so it should be used for 2013 and then they should make some changes for the 2014 budget to implement those three with contracts. There are several towns, i.e. Pueblo, that are not doing any more non-profit funding and we may have to look at that which would break up the issue. The problem would be the ones that we have to pay due to a contract and those are the most important. He said we have to look at this but his vote would be to use this 2013 money that we have and be more careful on the 2014 budget because that is most important and the money has already been budgeted. Councilmember Mattie stated that the advantage of that approach is that it gives people fair warning that they are going to need to increase their fund-raising efforts but, as Councilmember Bolton pointed out, it is a little late in the year to tell them to do a lot more fundraisers. He confirmed with Councilmember Miles that she wanted to add two additional organizations that heretofore had no claim. Councilmember Miles stated she would like to include the A.R. Mitchell Museum and SCRT at a \$1,000 entry level, which would leave \$16,450 to be proportionately distributed among the remaining entities. Councilmember Shew made a motion to provide second half funding as follows:

\$12,500	Noah's Ark
3,485	AADA
9,675	H. R. Sayre Senior Citizens' Center
675	SCDDS
1,000	A.R. Mitchell Museum
1,000	SCRT

The remaining \$16,450 is to be divided up proportionately based on 2nd half allocation between the remaining entities (excluding Crossroads). If they were at zero then they remain at zero. Councilmember Bolton seconded the motion which carried unanimously upon roll call vote. City Manager Acre suggested that during budget discussions they discuss the non-profit allocation for 2014.

BILLS. Councilmember Miles said that \$81,000 for outside legal counsel, mostly attributable to ARPA, is a large number. She said she realized they spent a lot of time preparing for a trial that did not happen. As she remembers she said it seemed to be within their last estimate when they were moving to trial. She said she is concerned and we need to keep a firm grip on what's going forward with these items and we need to check to see if we are well within range and how much the delay in the trial will cost the City. If there's any way we can exercise control of these numbers, which are very

substantial, she recommended it be done. City Manager Acre assured that it would be monitored and there should be very little attributable to the ARPA lawsuit until we get up to the trial date unless there are discussions towards a settlement. There is some time being spent on the Syncora lawsuit for discovery and responses. He said he and City Attorney Downs can talk with outside legal counsel to get an estimate of anticipated future costs. A motion to approve payment of the bills was made by Councilmember Bolton. The motion was seconded by Councilmember Velasquez. Roll call was taken on the motion and it carried unanimously.

PAYROLL, September 14, 2013 through September 27, 2013. A motion to approve the payroll was made by Councilmember Shew and seconded by Councilmember Velasquez. The motion carried unanimously.

EXECUTIVE SESSION. For a conference with the City's Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. Section 24-6-402(4)(b) – Discussion regarding legal matters pertaining to the North Lake Dam Rehabilitation Project; and for discussion of a personnel matter under C.R.S. Section 24-6-402(2)(f) and not involving any specific employees who have requested discussion of the matter in open session; any member of this body or 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 – Formal City Attorney evaluation. A motion to enter into executive session for the stated purposes was made by Councilmember Bolton and was seconded by Councilmember Shew. The motion carried unanimously upon roll call vote and the executive session ensued. That portion not constituting legal advice was electronically recorded in accordance with the Open Meetings Law.

I, Les S. Downs, City Attorney for the City of Trinidad, do hereby attest that the executive session held on this 1st day of October, 2013, was permissible under CRS Section 24-6-402 (4)(b).

As City Attorney, it is my opinion that the discussion of the matter announced in the motion to enter into executive session constituted a privileged attorney-client communication. Therefore, it is my recommendation that no further record be kept of this executive session.

Les S. Downs
City Attorney

Upon the conclusion of the executive session the meeting resumed.

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

ATTEST:

BERNADETTE BACA GONZALEZ,
Mayor

DONA VALENCICH, Asst. City Clerk