

**New Castle Town Council Meeting
Tuesday, December 4, 2018, 7:00 p.m.**

Call to Order

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

Pledge of Allegiance

Roll Call

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

Also present at the meeting were Town Administrator Dave Reynolds, Town Clerk Melody Harrison, Town Treasurer Loni Burk, Town Attorney David McConaughy and Town Engineer Jeff Simonson.

MOTION: Mayor A Riddile made a motion to approve Councilor Mariscal's absence. Councilor G Riddile seconded the motion and it passed unanimously.

Meeting Notice

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

Conflicts of Interest

There were no conflicts of interest.

Agenda Changes

Clerk Harrison asked that the council add a motion to begin the December 18, 2018 council meeting early. The council agreed.

Citizen Comments on Items not on the Agenda

There were no citizen comments.

Consultant Reports

Consultant Attorney – present for agenda items.

Consultant Engineer – present for agenda items.

Items for Consideration

Consider Modification and Re-Engagement of a Previous 1998 Agreement Between the Town of New Castle, CVR Investors and Schmueser Gordon Meyer, Inc.

Town Engineer Jeff Simonson explained to the council that the issue went back to 1998. SMG had done a lot of the design work for Castle Valley Ranch prior to becoming the town's engineer. A three-way agreement between Land Discovery, SGM and the Town was signed and SGM continued their work on Castle Valley Ranch after they were hired as the town engineer. Land Discovery sold the majority of interests to Village Homes, and the three-way agreement was reapproved. Subsequently, Village Homes went bankrupt. CVR Investors now own the interests. Engineer Simonson said that they have asked SGM and the town to re-engage the three-way agreement so they can modify and complete the previously approved preliminary plan for Castle Valley Ranch.

Town Attorney David McConaughy told the council that although there was an inherent conflict with having Engineer Simonson review the work of another engineer in his company, over the past twenty years the agreement seems to have worked well. He said that he was comfortable if the council was comfortable.

After a brief discussion, the council agreed that staff should move forward modifying the three-way agreement. Engineer Simonson said that the council should understand that the agreement included a provision that if any conflict should arise, that SGM would cease working for the developer and become solely the town's engineer. He also said that Attorney McConaughy would review and rewrite the agreement, and the costs would be billed back to CVR Investors.

Consider Ordinance TC 2018-7, An Ordinance of the Town of New Castle, Colorado summarizing additional expenditures for the General Fund and the Utility Fund, and adopting a supplemental budget for the Town of New Castle, Colorado, for the calendar year beginning on the first day of January, 2018 and ending on the last day of December, 2018 (first reading)

Town Treasurer Loni Burk told the council that the ordinance was essentially authorization to spend monies that were above and beyond the approved 2018 budget. She said that most of the differences were because of grants the town had received. Treasurer Burk said that she wanted to adjust the budget in a more proactive way in the future so that there was not the same need for a supplemental budget ordinance at the end of the year.

Councilor Leland asked noted that in exhibit A of the ordinance it says "I, Tom Baker" rather showing Administrator Reynolds' name. Staff said they would make the correction for the second reading.

Mayor A Riddile opened the public hearing at 7:19 p.m. and asked for public comments.

There were no public comments.

Mayor A Riddile closed the public hearing at 7:20 p.m.

MOTION: Councilor Leland made a motion to approve Ordinance TC 2018-7, An Ordinance of the Town of New Castle, Colorado summarizing additional expenditures for the General Fund and the Utility Fund, and adopting a supplemental budget for the Town of New Castle, Colorado, for the calendar year beginning on the first day of January, 2018 and ending on the last day of December, 2018 on first reading. Councilor Hazelton seconded the motion and it passed on a roll-call vote: Councilor Leland: yes; Councilor G Riddile: yes; Councilor Hazelton: yes; Councilor Copeland: yes; Councilor Owens: yes; Mayor A Riddile: yes.

Consider Resolution TC 2018-26, A Resolution of the Town Council of the Town of New Castle Adopting a Budget for the Town of New Castle, Colorado, for the Fiscal Year Beginning on January 1, 2019 and Ending on December 31, 2019, Appropriating the Amounts Specified in the Budget as Expenditures from the Funds Indicated, Levying the Property Tax Proposed in the Budget, and Reserving and Designating Certain Amounts in Each Fund.

Mayor A Riddile opened the public hearing at 7:21 p.m. and asked for public comments.

There were no public comments.

Mayor A Riddile closed the public hearing at close 7:22 p.m.

Treasurer Burk told the council that after close review and adjustments to the budget, the overall deficit number for the general fund was approximately \$97k, which was within the council's goal. She said that the biggest change was that staff had received the tax assessor's property valuations for New Castle and staff had initially over-estimated the amount.

Treasurer Burk said that in the utility fund, with the rate increase, there would be a reserve of approximately \$106k. Administrator Reynolds said that number was down from the original \$130k because of the FMLD grant for the wastewater plant UV lighting costs were higher than expected, and the costs had to be reassigned to the 2019 budget.

Administrator Reynolds said that the staff had worked hard on the budget, and he felt that everyone was on board for ensuring that the budget was balanced in 2019.

Treasurer Burk said that the change in the town's health insurance provided a significant savings. She also said that it appeared that the payroll line items had been approximated in the past, so she had reviewed each employee's payroll, allocations and potential for raises and adjusted the payroll budget line items to be more accurate.

Administrator Reynolds, Treasurer Burk and the council briefly discussed other items in the budget and the actions taken to balance it. Mayor A Riddile and the council voiced their appreciation to the staff for all their hard work on the budget and the sacrifices made to reduce the deficit.

MOTION: Councilor A Riddile made a motion to approve Resolution TC 2018-26, A Resolution of the Town Council of the Town of New Castle Adopting a Budget for the Town of New Castle, Colorado, for the Fiscal Year Beginning on January 1, 2019 and Ending on December 31, 2019, Appropriating the Amounts Specified in the Budget as Expenditures from the Funds Indicated, Levying the

Property Tax Proposed in the Budget, and Reserving and Designating Certain Amounts in Each Fund. Councilor Leland seconded the motion and it passed unanimously.

Consider Ordinance TC 2018-8, An Ordinance of the Town Council of the Town of New Castle, Colorado, Repealing Section 9.24.060(G) of the Town Municipal Code (first reading).

Attorney McConaughy told the council that the ordinance was repealing one section in the municipal code in response to a complaint by the ACLU that it violated the first amendment.

MOTION: Councilor G Riddile made a motion to approve Ordinance TC 2018-8, An Ordinance of the Town Council of the Town of New Castle, Colorado, Repealing Section 9.24.060(G) of the Town Municipal Code on first reading. Councilor Owens seconded the motion and it passed on a roll-call vote: Councilor Copeland: yes; Mayor A Riddile: yes; Councilor G Riddile: yes; Councilor Leland: yes; Councilor Hazelton: yes; Councilor Owens: yes.

Recess the Town Council Meeting, Convene as the Water and Sewer Enterprise

MOTION: Councilor Leland made a motion to recess the town council meeting and to convene as the water and sewer enterprise. Councilor G Riddile seconded the motion and it passed unanimously.

Consider Ordinance 2018 E-2, An Ordinance of the Town of New Castle Water & Sewer Enterprise Increasing Water and Sewer Service Charges (second reading.)

Attorney McConaughy told the council that the purpose of the ordinance was to increase rates for water and sewer services, as well as move the rates out of the municipal code into the directory of fees and charges so that rates could be adjusted in the future by resolution rather than by ordinance. Mayor A Riddile added that Clerk Harrison had suggested a provision that would allow seniors who were tenants to receive the senior rate, and that provision had been added.

MOTION: Councilor G Riddile made a motion to approve Ordinance 2018 E-2, An Ordinance of the Town of New Castle Water & Sewer Enterprise Increasing Water and Sewer Service Charges on second reading. Councilor Copeland seconded the motion and it passed on a roll-call vote: Councilor Leland: yes; Councilor Owens: yes; Councilor Hazelton: yes; Councilor G Riddile: yes; Mayor A Riddile: yes; Councilor Copeland: yes.

Adjourn the Water and Sewer Enterprise, Reconvene the Town Council Meeting

MOTION: Mayor A Riddile made a motion to adjourn the water and sewer enterprise and to reconvene the town council meeting. Councilor Owens seconded the motion and it passed unanimously.

Councilor Leland made a motion at 7:44 p.m. to go into Executive Session (1) to discuss the purchase, acquisition, lease, transfer, or sale of real, personal or other property interest under C.R.S. Section 24-6-402(4)(a), and (2) for a conference with the Town Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. Section 24-6-402(4)(b) concerning town-

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owned property. Mayor A Riddile seconded the motion and it passed unanimously.

Executive session concluded.

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

"The time is now 7:55 p.m. and the executive session has been concluded. The participants in the executive session were: Councilors Owens and Hazelton; Mayor A Riddile; Councilors Copeland, Leland and G Riddile; Town Administrator Dave Reynolds, Town Attorney David McConaughy, Town Clerk Melody Harrison and Town Treasurer Loni Burk. For the record, if any person who participated in the executive session believes that any substantial discussion of any matters not included in the motion to go into the executive session occurred during the executive session, or that any improper action occurred during the executive session in violation of the Open Meetings Law, I would ask that you state your concerns for the record."

No concerns were stated.

Consider a Motion to Cancel or Move the January 1, 2019 Council Meeting

The council asked staff if there was anything pressing for the January 1 council meeting, and Administrator Reynolds said that staff had not scheduled anything for the January 1, 2019 council meeting since it was a holiday.

MOTION: Councilor Leland made a motion to begin the December 18, 2018 council meeting at 5:30 p.m., and to cancel the January 1, 2019 council meeting. Councilor Owens seconded the motion and it passed unanimously.

Attorney McConaughy told the council that he was working on a written policy for public comments. He said that there have been situations in other cities where persons attending for public comments were inappropriate. If a policy was in place it could be applied fairly to everyone to mitigate any issues.

Consent Agenda

Minutes of the October 16, 2018 council meeting

Minutes of the November 6, 2018 council meeting

Minutes of the November 20, 2018 council meeting

November Bills of \$376,720.39

New Castle Liquors Retail Liquor Store Renewal Application

New Castle Liquors Tastings Permit Renewal Application

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

Staff Reports

Town Administrator – Administrator Reynolds told the council he was working with Liberty Classical Academy on the agreement to be the fiscal agent should they be awarded the Colorado Health Foundation grant. He said the awards should be announced in a few weeks. Administrator Reynolds told the council that the town had been awarded the Colorado the Beautiful grant for the LoVa Trail and he had been in

conversations with Engineer Simonson regarding that project. He said that he thought groundbreaking would take place in the spring.

Administrator Reynolds said that he had spoken to Russell Talbott, and there will be a fireworks show on New Year's Eve, using the fireworks purchased for July 4th.

Administrator Reynolds said that he and Town Planner Paul Smith had been working on the Senior Housing project. CRHDC felt that they wanted to get a temporary certificate of occupancy for several of the buildings, but they had not submitted their TCO proposal. Administrator Reynolds said that the progress on the project was very slow. In addition, the public improvements were not quite complete, and CRHDC was going to ask for a second extension of the public improvements deadline. Staff had already approved one six-month extension, and a second extension would have to be approved by the town council. Administrator Reynolds said that CRHDC had never delivered the appropriate letter of credit for public improvements to the town, and it was staff's position that CRHDC would not be scheduled at council until such time they provided the letter of credit to the town. If the public improvements were not complete by the deadline there would be a \$4,000.00 penalty fee CRHDC would have to pay and he knew they would ask for the fee to be waived. Administrator Reynolds reminded the council that at the last meeting, they had agreed that a committee should be formed to discuss the employee handbook relating to benefits. The committee included Councilors Copeland and Owens, Public Works Director John Wenzel, Town Treasurer Loni Burk and Administrator Reynolds. The council agreed that the committee would meet on January 15 at 4:30 p.m.

Town Treasurer – Treasurer Burk told the council that the health and wellness checks would be distributed with the next payroll. She also said that she would be sending the bills report to those on the finance committee.

Town Clerk – Clerk Harrison passed out draft copies of the door hangers that staff would be distributing about the utility rate increases. She also said that a similar notice had gone out in the utility bill the previous day. Administrator Reynolds said the information was also in the town newsletter and that staff was doing their best to make certain that the information was distributed so the citizens would be aware. Clerk Harrison said a full rate schedule would go out in the January 2 utility bill.

Clerk Harrison told the council that with the adoption of the fee schedule, the council had agreed to eliminate contractor licensing. She said the licensing requirement was in the town code, so staff would be bringing an ordinance to council to remove the contractor licensing section. Clerk Harrison said she had created a 2019 meetings calendar and would send it to everyone, along with the committee calendar and the fee schedule.

Clerk Harrison said that she had look into the requirement for joining the Newcastle Alliance, and there was not a fee, although they were asking for 1000 euro, or \$1,134.00. She said that she could complete the application if the council wished. Clerk Harrison said that after the clerks conference she had received her updated transcripts, and she was very close to qualifying the her master clerk certification. Part of the requirements was that she needed to be appointed to a clerks committee, so she had applied for appointment to several.

Town Planner – not present.

Public Works Director – not present.

Commission Reports

Planning & Zoning Commission – nothing to report.
Historic Preservation Commission – nothing to report.
Climate Action Advisory Committee – nothing to report.
Senior Program – nothing to report.
RFTA – nothing to report.
AGNC – nothing to report.
GCE –nothing to report.
EAB – nothing to report.

Council Comments

Councilor Hazelton said that the council talked at their retreat about employees who may be interested in housing. He said he had talked to Shelby at Alpine Bank who was prepared to discuss opportunities. Councilor Hazelton felt it may be a good idea to do a needs survey of the employees after the first of the year.
Councilor G Riddile thanked the town staff for tree lighting and chili cook off event.
Councilor Leland said that the wellness committee met and there were forty-one eligible employees. Thirty-four had applied for their wellness benefit, which he felt was a great turn out.
Councilor Copeland said she had enjoyed volunteering for the Chili Cook-Off.
Mayor A Riddile said that the town Christmas party will be on December 18 at 6:30, and he asked that the council members arrive at the community center for set up at 4:30 in the afternoon.
Mayor A Riddile said that the Town of Basalt was in the Post Independent because their town council had recently violated the open meetings law, and he asked that the council members be careful regarding their e-mail communications.

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

The meeting adjourned at 9:50 p.m.

Respectfully submitted,

Mayor Art Riddile

Town Clerk Melody Harrison, CMC



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