



**MINUTES OF THE REGULAR (and VIRTUAL) MEETING OF THE
PALISADE BOARD OF TRUSTEES
May 11, 2021**

The regular meeting of the Board of Trustees for the Town of Palisade was called to order at 6:00 pm by Mayor Mikolai with Trustees Somerville, L'Hommedieu, Turner, Carlson, Maxwell, and Mayor Pro-Tem Chase present. Also present were Town Manager Janet Hawkinson, Town Attorney Jim Neu, Town Clerk Keli Frasier, Community Development Director Brian Rusche, Finance Director Travis Boyd, and Police Chief Deb Funston.

AGENDA ADOPTION

Motion #1 by Trustee Somerville, seconded by Trustee L'Hommedieu, to approve the agenda as presented.

A voice vote was requested.
Motion carried unanimously.

PRESENTATIONS

Proclamation for National Police Week was presented to Palisade Police Chief Funston by Trustee Somerville. Also accepting the Proclamation were Palisade Police Officer Rob Segers, Colorado State Patrol Captain Matt Ozanic, Fruita Chief of Police Dave Krouse, and Mesa County Sheriff Matt Lewis.

Proclamation for National EMS Week was presented to Palisade Police Chief Balke by Trustee L'Hommedieu. Also accepting the Proclamation were volunteers of the Palisade Fire Department.

Proclamation for National Public Works Week was presented to Parks, Recreation and Events Director Troy Ward, Parks Supervisor Derek Malik, and Utility Maintenance Person Brian Flenniken by Trustee Carlson.

Proclamation for Colorado Public Lands Day was presented by Mayor Mikolai.

TOWN MANAGER REPORT

Town Manager Janet Hawkinson reviewed her report, and Finance Director Travis Boyd gave a brief finance update.

Comments from the Board included direction to staff to send an invite to Board members for a tour of Wine Valley Road and agreement to create a Community Hospital Project Outreach Committee that consists of Trustee L'Hommedieu and Trustee Maxwell.

CONSENT AGENDA

The Consent Agenda is intended to allow the Board to spend its time on more complex items. These items are generally perceived as non-controversial and can be approved by a single motion. The

public or the Board members may ask that an item be removed from the Consent Agenda for individual consideration.

- **Expenditures**

Approval of Bills from Various Town Funds – April 24, 2021 – May 7, 2021

- **Minutes**

Minutes from the April 27, 2021 Board Meeting

Motion #2 by Trustee Somerville, seconded by Trustee Turner, to approve the Consent Agenda as presented.

A roll call vote was requested.

Yes: Mayor Mikolai, Trustee Turner, Trustee Somerville, Mayor Pro-Tem Chase, Trustee Carlson, Trustee L'Hommedieu, Trustee Maxwell

No:

Absent:

Motion carried.

PUBLIC COMMENT

Glenn Hayes, 159 E 5th Street: requested that the Board endorse an application to the BLM to get a small peak east of Palisade named Plunge Mesa.

Stan Harbaugh, 409 Pendleton Street: Compliment the April 24, 2021, Town Clean-Up Day and commended Parks, Recreation and Events Director Troy Ward and Utilities Director Matt Lemon on their responses and assistance in assisting him with getting branches picked up from his home around that same time.

PUBLIC HEARING I

Beer and Wine Liquor License Application for Boardom Bound, LLC

Mayor Mikolai opened the public hearing at 6:34 pm.

Town Clerk Keli Frasier reviewed her staff report, reiterating the results of the investigation and reminding the Board of the criteria they need to consider with approving or denying the application.

Before entering any decision, approving or denying the application, the local licensing authority shall:

- Consider the facts and evidence gathered as part of its investigation, as well as any other facts, the reasonable requirements of the neighborhood for the type of license being considered
- The desires of the adult inhabitants of the neighborhood
- The number, type, and availability of alcohol beverage outlets located in or near the neighborhood under consideration
- Any other pertinent matters affecting the qualifications of the applicant for the conduct of the type of business proposed.

Applicant Danny Tebbenkamp detailed his reasons for applying for a beer and wine liquor license and expressed his desire to enhance his customer's experience and connect with them over a beer or glass of wine upon returning from their excursions.

Mayor Mikolai opened the hearing to public comment.

Tammy Tallant, 3819 North River Road: noted that the safety concerns for previously denying a marijuana store in the same location as the proposed liquor licensed premises have not been addressed and remain the same. Ms. Tallant asked the Board to deny the application.

Bill McDonald, 311 Troyer Avenue: reiterated that the proposed location is next to a bus stop on a dangerous road and the idea of people leaving the business after having a few drinks isn't safe. Mr. McDonald requested that the Board deny the application.

Debbie Ottaviano, 126 E 5th Street: expressed her support of the application, the need for more businesses in Palisade and commended the owners for being responsible people.

Bruce Talbott 3778 Horse Mountain Road: gave a philosophical commentary regarding local businesses working together and encouraged supporting local start-up businesses.

Rondo Beucheler, 255 E 2nd Street: stressed his opposition to any business going in the proposed location due to the lack of sidewalks, defined driveways on the property, and other safety measures in the area.

Tim Wedel, 3815 North River Road: raised concerns about outdoor patios, music, and alcohol affecting his business, rental properties, and residential neighbors in the area. He also stated that he felt alcohol is appropriate with the rental of electric bicycles and paddleboards.

Charles Talbott, 3544 E ½ Road: Existing businesses (wineries, breweries, distilleries, and marijuana) have the same safety concerns being brought up by public comments and are still allowed to conduct business.

Adam Paulson, 123 Majestic Court: has known the applicant for over ten years and believes he is a responsible business owner.

Gail Evans, 126 Majestic Court: traffic along North River Road is dangerous and worsens in the summer. She stated that she is not against the business proposal; she is simply against the location.

Mayor Mikolai opened the hearing to Board comment.

Town Manager Hawkinson clarified that the safety concerns raised by the Police and Fire Chiefs were to the patrons of the business, not the business causing safety problems to the drivers on North River Road. The safety concerns were mitigated by the removal of the outdoor sitting area. Staff's concerns regarding lack of defined driveway could be addressed by requiring a fence or other measures that would define the entrance/exit points, which should be done regardless of the type of business located in the property.

Trustee Somerville stated that he is a reluctant supporter of this application. The quantity of traffic will not increase due to a liquor license, nor will it increase the amount of liquor being consumed on the river. The responsibility of limiting alcohol consumption will rest on the business owner and staff, and during the liquor license renewal process, local residents will bring forward any indiscretions.

Trustee L'Hommedieu feels the business plan is a unique idea but also understands the surrounding residents' concerns.

Mayor Pro-Tem Chase asked if the staff has any immediate plans to address the safety concerns on North River Road? Town Manager Hawkinson stated that plans to address sidewalks on North River Road are on staff's priority list. Mayor Pro-Tem Chase echoed Trustee Somerville's comments about traffic and alcohol consumption. She stressed the importance of addressing the ingress/egress of the business and property.

Trustee Turner also mirrored Trustee Somerville and Mayor Pro-Tem Chase's comments and added questions regarding if customers could come into the shop just for a beer (without renting a paddleboard, etc.) and if alcohol sales would be allowed before customers go on the river.

Trustee Maxwell reiterated previous Board comments and suggested putting restrictions on the amount of alcohol served per customer, restrictions that only rental customers can purchase alcohol, and she asked the applicant what time they propose beginning alcohol sales.

Town Attorney Jim Neu stated that the Board COULD impose the suggested restrictions; however, enforcement would be near impossible.

Discussions with the Board addressed that most liquor license reviews are done administratively; however, the Board could make a condition that this renewal application be brought before them for approval.

The applicant addressed the Board's questions stating that they can put up additional signage for traffic flow, hours of operation proposed are 3:00 pm – 7:00 pm, and he is not looking to market his business as a bar for outside clientele. The plans for the beer in wine are for sale after the customer's event, not before.

Property owner Gary Miller addressed the new lease and expectations of the applicant.

Motion #3 by Trustee Somerville, seconded by Mayor Pro-Tem Chase to approve the application for a beer and wine liquor license as applied for by Danny Tebbenkamp at 3816 North River Road with the conditions that a fence is put up along the property line to define the ingress/egress (driveway), serving hours will be limited to 3:00 pm – 7:00 pm and the Board will review the license renewal in one year.

A roll call vote was requested.

Yes: Trustee Turner, Trustee Somerville, Mayor Pro-Tem Chase, Trustee Carlson, Trustee L'Hommedieu, Trustee Maxwell, Mayor Mikolai

No:

Absent:

Motion carried.

Mayor Mikolai closed the public hearing at 7:32 pm and called for a five-minute recess.

PUBLIC HEARING II

PRO 2021-7 – CUP for a Drive-Through Restaurant

Mayor Mikolai opened the public hearing at 7:40 pm.

Community Development Director (CDD) Brian Rusche reviewed his staff report citing the approval criteria:

In order to approve a conditional use permit, the Board of Trustees must make certain findings of the request:

1. The application will not materially endanger public health or safety if located where it is proposed and developed according to the plans as submitted and approved.

The drive-through restaurant would be located adjacent to an existing auto-oriented use and accessible via a public street, built to current development standards. The drive-through window is located on the west side of the building, next to an existing semi-truck parking lot and fueling station. The window location provides sufficient queuing for automobiles (a total of 10 vehicles), as required by Section 10.01.F.1 – Off-street stacking requirements. Sufficient parking is provided - based on the square footage of the restaurant (using Table 10.1), a minimum of 20 spaces is required (1 per 100 sq. ft. of floor area), and 29 spaces are provided. In addition, the drive-through exit is physically separated from the rest of the parking lot and the patio area, and bicycle parking is also provided.

In granting approval of a conditional use permit, the Board of Trustees may impose reasonable conditions which serve to assure that the conditional use permit does not endanger public health or safety. Staff is recommending that a pedestrian walk be constructed from the public sidewalk on the north side of Wine Valley Road to the primary entrance of the restaurant (as was required of the Golden Gate convenience store). This requirement, if adopted, would not conflict with the proposed drive-through exit and would only impact one parking space while providing a well-defined place for pedestrians (and bikes) to access the business.

2. That the application meets all required specifications and conforms to the standards and practices of sound land use planning and other applicable regulations.

The application conforms to practices of sound land use planning. Drive-through restaurants, particularly during the pandemic, serve the needs of local and regional customers who are unable to physically enter a traditional sit-down restaurant due to social-distancing requirements and mandatory public health closures. It is anticipated that demand for this use will continue regardless of the current public health orders. The proposed restaurant, taken as a whole, provides several alternatives for people to access its business. The applicant notes that “Restaurant type uses, including drive-thru [sic], are typical in commercial business areas, especially when near major transportation systems and interstate highway interchanges.”

The design of the proposed restaurant is unlike a typical “fast-food” establishment. The low-rise building utilizes earth-tone colors, including brick accents, to ensure that it blends into the high-desert landscape. An outdoor patio area (shown on the elevations) is provided in front of the restaurant, allowing people to enjoy the outdoors during the peak tourist season in Palisade. Xeric landscaping is also planned along the street frontage.

3. That the application will not substantially injure the value of adjoining or abutting property and will not be detrimental to the use or development of adjacent properties or other neighborhood uses.

The property is currently a vacant commercial lot and has been vacant for some time. The development of the Golden Gate convenience store has undoubtedly increased the value of the remaining undeveloped commercial property due to the construction of public infrastructure. The establishment of a complementary use to the gas station will only increase the value of the remaining commercial parcel.

The nearest residential property to the east (owned by Mr. Voorhees, who, as noted earlier, manages the irrigation lines in this neighborhood) is at least 500 feet from the proposed drive-through. To the south, the residential Willow Tree Subdivision is separated by a canal with roads on both sides, a strip of undeveloped commercial property, Wine Valley Road (with future sidewalks on both sides), and at least 120 additional feet of setback from the back of sidewalk to the drive-through window itself.

The applicant has prepared a traffic study and has submitted it to CDOT, who controls access and traffic volumes in the vicinity of the I-70, Exit 42 interchange, for review and approval. The projected traffic volumes at the intersection of Elberta Avenue and Wine Valley Road generated by the existing Golden Gate convenience store (who constructed the new intersection) and the proposed drive-through restaurant, as well as the soon-to-be-completed Peach Shack, could increase to the point of 10% higher than the level anticipated (and approved) by CDOT in 2017, which is less than the threshold (20% increase) used by CDOT to require additional physical improvements to the intersection.

4. That the application will not adversely affect the adopted plans and policies of the Town or violate the character of existing standards for development of the adjacent properties. *The Comprehensive Plan (2007) predates the incorporation of the subject property into the Town limits. Nevertheless, it notes in Desired Future Condition – Policy 7: “For the area near I-70 Exit 42, encourage commercial development on vacant or undeveloped land that is consistent with preserving the agricultural character and an attractive entry into Palisade.”*

Prior to the annexation of the property in 2017, Mesa County had designated this area around Exit 42 as commercial, but it had historically been underutilized, and there does not appear to be any agricultural production present in the decade between the 2007 Comprehensive Plan and the 2017 annexation and development of the Golden Gate convenience store, based upon a review of available aerial photos.

The application complies with the intent of the Hospitality Retail zoning district by providing retail development in the vicinity of Exit 42 in an environment compatible with the character of existing land uses.

Planning Commission recommended conditions:

- 1) A pedestrian walk be constructed from the public sidewalk on the north side of Wine Valley Road to the entrance of the restaurant.
- 2) A Site Plan shall be approved by the Community Development Director prior to the issuance of a Planning Clearance/Building Permit for the proposed restaurant.
- 3) The extension of public infrastructure in Wine Valley Road shall be completed to the property line of Lot 2, Wine Valley Subdivision, prior to issuance of a Certificate of Occupancy (CO) for the restaurant.

- 4) Any improvement at the intersection of Elberta Avenue and Wine Valley Road required by the Colorado Department of Transportation (CDOT) after a review of the completed traffic study will be the responsibility of the applicant and not the Town of Palisade.

Mark Austin with Austin Civil Group in Grand Junction gave a brief review of the revised plan presented to the Board.

Mayor Mikolai opened the hearing to public comment.

James Sanders, 451 Wine Valley Road: explained that the Golden Gate Gas Station development increased his business no less than four-fold. He feels that franchise developments should be encouraged along I-70.

Mayor Mikolai opened the hearing to Board comment.

Mayor Pro-Tem Chase stated that her understanding was that this application was previously denied because a drive-through does not match the surrounding area's character and asked staff and the applicant how that has now changed? She went on to review articles and reports of negative impacts drive-throughs have regarding climate change.

Trustee Somerville: commented that COVID doesn't impact this application as more and more businesses are opening and no longer need social distancing.

Trustee Turner: stated she feels the application meets the four requirements in the Land Development Code and matches the surrounding area's character as it is next to a gas station.

Trustee L'Hommedieu: echoed Trustee Turner's comments, and she supports the application.

Trustee Maxwell: felt the previous presentation was unclear and is glad to have a second opportunity to consider the application.

Mayor Mikolai: supported the application and said Palisade has multiple drive-throughs in Town and understands that while COVID may not be a current threat, but a drive-through may help this business in a future pandemic.

The applicant Jim Cagle agreed about looking to a future pandemic as one of the reasons for wanting a drive-through at this location, and he described the drive-through process as a speechless touch screen experience.

Skip Hudson with Turnkey Consulting wanted to clarify that the restaurant will not open until 10:00 am, and the afternoon peak hour between 4:00pm – 6:00 pm will see about 31-32 cars enter and exit the restaurant.

Motion #4 by Trustee Turner, seconded by Trustee L'Hommedieu to approve *PRO 2021-7 – CUP for a Drive-Through Restaurant* with staff and Planning Commission recommendations on the grounds that the application meets the criteria required in the Palisade Land Development Code.

A roll call vote was requested.

Yes: Trustee L'Hommedieu, Trustee Maxwell, Mayor Mikolai, Trustee Turner

No: Trustee Somerville, Mayor Pro-Tem Chase, Trustee Carlson

Absent:

Motion carried.

Mayor Mikolai closed the public hearing at 8:10 pm.

NEW BUSINESS

Ruedi Reservoir Water Use Agreement with Colorado Water Trust

Town Manager Hawkinson reviewed her staff report, reiterating that this agreement was approved in 2020, and Colorado Water Trust is making the same request and offers to purchase the Town's water in Ruedi Reservoir to be released this summer or fall as determined by conditions for the fish in the river.

Motion #5 by Trustee Somerville, seconded by Mayor Pro-Tem Chase to direct the Town Manager to enter into an agreement with Colorado Water Trust for water use from Ruedi Reservoir.

A roll call vote was requested.

Yes: Mayor Pro-Tem Chase, Trustee Carlson, Trustee L'Hommedieu, Trustee Maxwell, Mayor Mikolai, Trustee Turner, Trustee Somerville

No:

Absent:

Motion carried.

Environmental Study for USDA Grant

Town Manager Hawkinson explained that staff is working with the USDA grant/loan program, and a requirement of the application is to perform an environmental and cultural study. This study will take 4-6 months.

J-U-B Engineers have submitted a Scope of Work and fee for the Environmental & Cultural Assessment with the cost of \$57,000.

Motion #6 by Mayor Pro-Tem Chase, seconded by Trustee Somerville to direct the Town Manager to enter into a contract with J-U-B Engineers to provide an Environmental & Cultural Assessment.

A roll call vote was requested.

Yes: Trustee Carlson, Trustee L'Hommedieu, Trustee Maxwell, Mayor Mikolai, Trustee Turner, Trustee Somerville, Mayor Pro-Tem Chase

No:

Absent:

Motion carried.

OPEN DISCUSSION

Trustee Turner stated that she and Trustee Maxwell have been investigating different opportunities for broadband services to Town and will bring more information to the Board when available.

Trustee Somerville recognized the passing of long-time Palisade resident Tim Lincoln, and all agreed he will be missed.

Mayor Pro-Tem Chase commented on the state of and lack of BBQ grills at Riverbend Park.

Trustee L'Hommedieu complimented all of the improvements to Riverbend Park and observed how wonderful it looks.

Trustee Maxwell agreed with Trustee L'Hommedieu and noted that there is a spot by the lagoons that would make a great beachfront area by the river. She also suggested placing more bicycle racks around Town due to the Plung opening this summer.

COMMITTEE REPORTS

Board members briefly explained the various meetings they had recently attended.

Trustee Maxwell resigned from the Chamber of Commerce Board, and the consensus of the Board is to appoint a new member at the May 25, 2021, regular meeting.

ADJOURNMENT

Motion #10 by Mayor Pro-Tem Chase, seconded by Trustee Somerville to adjourn the meeting at 8:35 pm.

A voice vote was requested.
Motion carried unanimously.

X 

Greg Mikolai
Mayor

X 

Keli L. Frasier
Town Clerk

