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TOWN COUNCIL MEETING MINUTES THURSDAY, DECEMBER 18, 2008 12:00 P.M.

- I. **CALL MEETING TO ORDER** – Mayor Aragon, Council Member Holt, Council Member Jackson, Council Member Pierce, Council Member Weiler (late).
- II. **NEW BUSINESS**
 1. **Resolution 2008-38, Adopting the 2009 Budget and Certification of the Mill Levy** – The draft budget for 2009. The 2009 Mill Levy is proposed to be set at 1.576 which includes .019 mills for this year's refunds and abatements available to the Town. Council Member Pierce asked about the Humane Society and Mountain Express transportation issues and what changes had been made to the budget. Town Manager Mitchem explained the council should have received the Humane Society information; the Mountain Express people had not brought any information for the council as of today's meeting. He also explained corrections to the proposed Resolution 2008-38. Council Member Weiler would like all service organizations paid based on availability of funds and not dispersed until June of 2009. Council Member Holt would like the payout quarterly. Council Member Jackson doesn't agree with funding Mountain Express fully. Council Member Pierce would like to fund the health and safety service organizations quarterly and the others after June if the funds are available. She would also like to keep the transportation for seniors at \$4,250 but reduce the Mountain Express to \$20,000. Mayor Aragon opened the meeting to public comment. Mrs. Robbie Schwartz explained the Humane Society is very important to the community and the reasons why this service organization should be funded. With no further public comment, Mayor Aragon closed to public comment. Council Member Jackson made a motion that was seconded by Council Member Holt, after discussion Council Member Jackson withdrew his motion. Council Member Pierce moved to approve the proposed budget Resolution 2009-38 adopting the budget for Fiscal Year 2009, changing Mountain Express amount to \$20,000 and leaving the Humane Society request at \$10,000 as drafted, holding off paying some service organizations such as Colorado Housing Inc, Southwest Land Alliance and Southwest Safehouse until June of 2009, and upon availability of funds pay other service organizations quarterly, and approving the Town of Pagosa Springs Mill Levy for Fiscal Year 2009 at 1.576, Council Member Jackson seconded, unanimously approved.
 2. **Resolution 2008-39, Maintaining Employee Benefits** – This resolution provides the Town Manager and department heads the ability to reduce hours worked for full-time employees but still provide all town benefits for those employees whose hours may be reduced. These benefits would be maintained for current full time employees that continue to work at least 24 hours per week. In hopes to help alleviate some of the potential hardships of this economic recession as well as to work towards maintaining a skilled and experienced work force. Council Member Cotton has asked to table this until next meeting.
 3. **Resolution 2008-40, Verification of Eligibility to Annex 'Reservoir River Ranch'** – At the November 5, 2008 meeting the Council approved Resolution No. 2008-40 initiating annexation proceedings in regards to the Reservoir River Ranch property (Levine). The petition as submitted by Fairway Land Trust, represented by Russell Engineering Inc., includes approximately 516 acres of property located adjacent to Light Plant Road and Highway 84. The resolution presents as fact that the property is in compliance with Section CRS 31-12-105, that proper notification has been published and delivered, and the requirements of Article 10 of the LUDC have been met. In regards to the findings the resolution concludes that the property is eligible for annexation, that no limitations or restrictions apply and no annexation election is required, and the property will be zoned by a separate ordinance. The Town Council must complete a formal public hearing on the proposed annexation to determine compliance with the above mentioned statutes. Mayor Aragon opened to public comment, with none, closed to public comment. Council Member Holt moved to approve Resolution 2008-40, setting forth finding of fact and conclusions in regards to the Reservoir River Ranch Annexation, Council Member Weiler seconded, unanimously approved.
 4. **Ordinance No. 728 (First Reading), Approving Blue Sky Village Vested Rights** – This ordinance establishes vested rights on the Blue Sky Village property. Council has previously approved first reading of the annexation and zoning ordinances associated with this project. In addition, the Blue Sky Village subdivision preliminary plan application was approved at the September 2, 2008 meeting. The Annexation/Development Agreement as drafted sets forth vested property rights for a period of twenty (20) years in regards to the 'Approved Plans' which include the Annexation/Development Agreement and the

Subdivision/Zoning applications, under certain performance thresholds. Council Member Pierce explained she liked the 10 year vesting proposal. Council Member Pierce moved to approve the First Reading of Ordinance No. 728, establishing vested property rights on the Blue Sky Village property, Council Member Jackson seconded, unanimously approved.

III. OLD BUSINESS

1. Ordinance No. 720 (Second Reading) – Annex property known as ‘Blue Sky Village’ –

The Town Council reviewed this ordinance at the September 2, 2008 meeting and unanimously approved the first reading. This is the second reading of Ordinance No. 720 annexing property known as the Blue Sky Village Annexation. Council approved Resolution No. 2008-14 initiating proceedings for annexation at the June 19, 2008 meeting and Resolution No. 2008-19 verifying eligibility at the August 5, 2008 meeting. The proposed annexation includes seven (7) tracts of property comprising six (6) right-of-way tracts held under CDOT ownership and a 96 acre tract known as Blue Sky Village. The proposed annexation identified as a ‘serial flagpole annexation’ as right-of-way will be annexed and used to establish the required contiguity otherwise not directly contiguous with the Town’s boundary. The Planning Commission reviewed this request August 12, 2008 and unanimously recommended approval of the annexation. Mayor Aragon opened to public comment. Mr. Bill Hudson asked about changes made after first reading. Staff explained changes were in regards to clarifications and according to the Town Charter not necessary to go back for first reading. Mayor closed to public comment. Council Member Holt moved to approve second reading of Ordinance No. 720, Annexing property known as Blue Sky Village and thereby authorizing the Mayor to execute the Annexation Agreement; provided, the provisions of the Annexation Agreement pertaining to vested property rights under Section 24-68-101 et seq., C.R.S., shall require separate approval by action of the Town Council as contemplated in Ordinance No. 728, Council Member Pierce seconded, unanimously approved.

2. Ordinance No. 721 (Second Reading) – Zoning property known as ‘Blue Sky Village’ –

The first reading of this ordinance was unanimously approved at the September 2, 2008 meeting. This is the second reading of this ordinance assigning base zone districts to the property known as the Blue Sky Village Annexation. The applicant has submitted a zoning request that identifies a portion of the western 48 acres as D-3 District, Corridor Business; the northern portion of the property as A-District, Single-Family Residential; and the remaining acreage as B-1 District, Multiple Use Residential. The Planning Commission unanimously recommended approval at their August 12, 2008 meeting. Mayor Aragon opened to public comment, with none, closed to public comment. Council Member Jackson moved to approve second reading of Ordinance No. 721, zoning property known as Blue Sky Village, Council Member Pierce seconded, unanimously approved.

3. Presentation and Discussion by Riverbend Engineering in regards to the San Juan River Restoration Project –

The Council approved allocating monies to Riverbend Engineering to provide oversight and coordination with Recreational Engineering and Planning on design work related to the relocation of “Davey’s Wave”. In addition, the council approved Riverbend to provide preliminary engineering design of a new river improvement project adjacent to Town Park. Chris Philips with Riverbend Engineering explained they are making progress including meetings with the Army Corps and the owners of the Springs Resort. A survey was completed showing areas of bedrock in the river below the Hot Springs Bridge and next to Town Park. Riverbend has received a revised plan for Davey’s wave area from REP. Using this information they have created a preliminary draft. Mr. Davey Pitcher has made it clear that he is willing to help with the project. Mr. Philips explained Phase 1 is to complete the removal of Davey’s wave and some mitigation with the Division of Wildlife. The Army Corps had wanted the wave removed by December 31, 2008, however he has talked with the Corps and hopes to have an action plan to the Corps by that date in place and start as soon as possible in 2009. Phase 2 includes additional waves and water items in front of the chamber of commerce property. Phase 3 includes new white water features in front of Town Park. The third phase won’t start until the fall of 2009 and can be done as an amendment to the current permit, there will need to be public hearings. Mr. Bob Hart offered to volunteer Hart Construction Services for this project.

Council Member Jackson will be absent for several upcoming meetings.

IV. ADJOURNMENT –Upon motion duly made the meeting adjourned at 1:23pm

Ross Aragón
Mayor