



551 Hot Springs Boulevard  
Post Office Box 1859  
Pagosa Springs, CO 81147  
Phone: 970.264.4151  
Fax: 970.264.4634

**TOWN COUNCIL SPECIAL MEETING MINUTES**  
**THURSDAY, AUGUST 26, 2010**  
**Town Hall Council Chambers**  
**12:00 P.M.**

- I. **CALL MEETING TO ORDER** – Mayor Aragon, Council Member Cotton, Council Member Holt, Council Member Pierce, Council Member Volger
- II. **LIQUOR LICENSES**
  1. **Liquor License Renewal – Western Refining Southwest Inc, dba Giant #6068, 2537 W Hwy 160**
  2. **Liquor License Renewal – Ramon’s Restaurant LLC, 56 Talisman Drive** – Council Member Pierce moved to approve the liquor license renewal for Western Refining Southwest dba Giant and Ramon’s Restaurant LLC, Council Member Volger seconded, unanimously approved.
  3. **Special Events Liquor Permit – Pagosa Springs Public Facilities Coalition Concert at Ross Aragón Community Center 451 Hot Springs Blvd** – Council Member Pierce moved to approve the special events liquor permit for the Pagosa Springs Public Facilities Coalition, Council Member Holt seconded, unanimously approved.
- III. **DELEGATIONS**
- IV. **NEW BUSINESS**
  1. **Review and Discussion Regarding Concerns with Town Contracts and the Town Tourism Committee** – At the July 30<sup>th</sup> town council special meeting a concern was expressed regarding town contracts and the TTC’s relationships with other community groups. Council Member Pierce listed three concerns, one which has been resolved, including improvement of the TTC functions, and town staff review of contracts. Mayor Aragon requested this item be handled administratively and Council Member Pierce asked for a meeting with Town Manager Mitchem regarding this item.
  2. **Pagosa Springs Official Visitor’s Guide Trademark** – In 2008 the TTC approached the Pagosa Sun to create a comprehensive Pagosa Springs Visitor Guide for the 2009 year. This was based on the Sun’s experience producing the Pagosa Country Guide. Once it was agreed that the Pagosa Sun would produce the newly formed Official Visitor Guide of Pagosa Springs, the Pagosa Sun trademarked the name using the term “official”. The TTC feels the Pagosa Sun was acting as an agent of the Town when the trademark was applied, and therefore the trademark should belong to the Town of Pagosa Springs. Mayor Aragon suggested this item be postponed until legal counsel is received, Council Member Holt moved as proposed by Mayor Aragon, Council Member Volger second, motion passed with one abstention (Council Member Pierce)
  3. **2011 Quizno’s Pro Challenge – Morgan Murri** – In July, Governor Bill Ritter and Lance Armstrong announced the inaugural Quizno’s Pro Challenge, an international, professional cycling competition showcasing the state, to be held August 22-28, 2011. During a public meeting held August 19<sup>th</sup>, a group of local residents, business leaders and elected official met to review the potential and possibility of bringing the Quizno’s Pro Challenge to Pagosa Springs. Mr. Morgan Murri with GECKO has worked diligently to get the challenge to Pagosa and a site inspection by the group will be completed September 7<sup>th</sup>, putting Pagosa in a great position to be included in the race. Costs of this event are unknown; however a combination of direct and indirect costs, such as in-kind town and county services should be expected if Pagosa Springs is selected as a host community. A

community-wide effort is necessary to be successful; hosting the event of this magnitude would prove to be an economic boon for Pagosa Springs. Council Member Pierce moved to support bringing the 2011 Quizno's Pro Challenge to Pagosa Springs by (1) writing a letter of recommendation to be included in the RFP response and (2) allow staff resources to assist in providing any necessary information for the completion of the RFP response, Council Member Volger seconded, unanimously approved.

4. **Resolution No. 2010-10 Amending 2010 Budget** – During 2010 the council has approved several amendments to the 2010 budget some using general and capital fund reserves, health saving accounts, and/or adding new line items as needed to funds. Resolution No. 2010-10 formalizes the amendments as specified by the Home Rule Charter. Mayor Aragon opened this item for public comment. Wendy Saunders said she understood according to the RFP the hunters pocket guide would be in the 2011 budget rather than the 2010 budget. Town Manager Mitchem said the TTC is very aggressive and he approved the development of this guide in 2010 in an attempt to increase tourism. Wendy Saunders feels the hunters guide for 2010 should have been a separate RFP, and she said the advertising options have been extended and as a business owner is unable to afford to advertise in all the available guides. Mr. Bob Hart said the money for the hunting guide advertising has been collected and revenues will be at least equal to the expenses if not higher. He said there is no financial risk to the town. Mr. Mark Weiler feels uncomfortable that there are modifications to a contract that does not exist. Council Member Holt applauds the TTC for their work for the benefit of the community. Council Member Pierce agrees regarding the TTC's hard work but disagrees with the TTC's process of moving forward without a written contract. Mayor Aragon appreciates the volunteers serving on the TTC and asked them to keep their heads held high no matter the criticism they may receive. Council Member Volger moved to approve Resolution No. 2010-10 amending the Town's 2010 approved budget to include increases in expense items, thereby decreasing the general fund reserves by \$26,751, the capital fund reserves by \$9,128 and the lodgers tax fund reserves by \$9,500, Council Member Holt seconded, unanimously approved.
5. **Review of Joint Town/County Meeting**
  - a. **CDOT Hwy 160 Access Plan w/ Special Guest: Richard Reynolds, Director of Region 5 of CDOT** – Town and County staff will work with CDOT to formalize an IGA between the three parties for the access plan.
  - b. **Joint Town/County Planning Commission Work Sessions Update** – The recent meetings went very well and the group is excited to continue to work together.
  - c. **City Market Discussion**
  - d. **Parelli Natural Horse-Man-Ship Rope Manufacturing Relocation** – The Town Council and Commissioners were receptive to participating in the grant match for the job incentives program. A letter of commitment will be forthcoming at the September 7<sup>th</sup> meeting.

## V. **OLD BUSINESS**

1. **Ordinance No. 755 (Second Reading) Granting Franchise to USA Communications** – In April 2010 CAP Cable, LLC, operating under the trade name USA Communications, acquired the majority of the physical assets of ICE Cable Holdings, LLC, including the Rocky Mountain Cable systems in Pagosa Springs. As a full-service provider, USA Communications offers an array of services, including advanced digital video programming services, high-speed internet access, phone service using digital VOIP and high definition programming. The franchise renewal will continue an income stream to the Town of 5% of CAP Cable, LLC annual revenues generated from Town customers, averaged about \$10,000 per year. Mr. Bob Canning with USA Communications said he has been in Pagosa Springs for two months, he said USA Communications has grown tremendously. He said within the next week the emergency alert system will be put into the cable service. Council Member Pierce asked about the channel line up and for the senior citizens/lower income, Mr. Canning said he will talk with his supervisor about the options. Council Member Pierce moved to approve second reading of Ordinance No. 755, an ordinance of the Town of Pagosa Springs granting a franchise by the Town of Pagosa Springs to CAP Cable LLC, operating under the trade name USA Communications, its successors and assigns, the right

to furnish, sell and distribute cable television to the town and to all persons, businesses and industries within the town and the right to acquire, construct, install, locate, maintain, operate and extend into, within and through said town all facilities reasonably necessary to furnish, sell and distribute cable television and in the territory adjacent thereto and the right to make reasonable use of all streets and other public places as may be necessary, and fixing the terms and conditions thereof, and with the insertion on page seven (7) of the work "basic" into the first blank and "library" into the second blank, Council Member Volger seconded, unanimously approved.

2. **Ordinance No. 756 (Second Reading) Medical Marijuana Moratorium Continuation** – At the August 3, 2010 town council meeting, the town council approved the first reading of Ordinance no. 756 contingent upon amending section 5 of the ordinance. This section has been amended to read; "Town staff is hereby directed to monitor statewide developments concerning Medical Marijuana Businesses and to present this information for Town Councils considerations at the April 2011 Town Council meeting for further direction to Town Staff". Council Member Holt moved to approve second reading of Ordinance No. 756, an ordinance suspending the processing of applications for medical marijuana centers, medical marijuana optional premises cultivation operations and medical marijuana infused product manufacturing businesses and suspending the delivery of such medical marijuana business products from outside of Archuleta Council until July 01, 2011 with Section 5 amended, Council Member Volger seconded, unanimously approved.
3. **June Sales Tax Brief** – Sales tax revenues for June were down -2.41% compared to June 2009. Year-to-date sales tax revenue has declined -4.79% which is above the -10% budgeted for the 2010 year. The Town Manager recommends staying at the current 5% below budget expenditure level for another month until July's sales tax revenues. Lodger's tax for June was up 14.3% and year-to-date approximately 10%.

- VI. **Discussion Regarding Negotiations Related to Economic Development Opportunities with Possible Executive Session Per C.R.S. Section 24-6-402(4)(e) For The Purpose Of Determining Positions Relative To Matters That May Be Subject To Negotiations, Developing Strategy For Negotiations, and/or Instructing Negotiators; and Pursuant to Section 24-6-402(4)(c), C.R.S. to Discuss Matters Required to be Kept Confidential by Federal or State Law or Rules or Regulations, Pursuant to Section 29-2-106(4)(c)(I), C.R.S.** – Council Member Volger moved to go into executive session per C.R.S. Section 24-6-402(4)(e) for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators; and pursuant to Section 24-6-402(4)(c), C.R.S. to discuss matters required to be kept confidential by Federal or State law or rules or regulations, pursuant to Section 29-2-106(4)(c)(I), C.R.S., Council Member Cotton seconded, unanimously approved. Mayor Aragon called the meeting back in session at 2:50pm.
- VII. **APPROVAL OF JULY FINANCIAL STATEMENT AND ACCOMPANYING PAYMENTS** – Council Member Cotton moved to approve the July financial statement and accompanying payments, Council Member Holt seconded, unanimously approved.
- VIII. **NEXT TOWN COUNCIL MEETING SEPTEMBER 7, 2010 AT 5:00PM**
- IX. **ADJOURNMENT** – Upon motion duly made, the meeting adjourned at 2:52pm.

**Ross Aragón**  
Mayor