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TOWN COUNCIL MEETING MINUTES TUESDAY, MAY 6, 2008 5:00 P.M.

- I. CALL MEETING TO ORDER** – Mayor Aragon, Council Member Atkinson, Council Member Cotton, Council Member Holt, Council Member Jackson, Council Member Pierce, and Council Member Weiler.
- II. APPROVAL of MEETING MINUTES FROM APRIL 1st, April 17th and April 21st, 2008** – Minutes were approved as read. Mayor Aragon asked for a motion to elect a Mayor pro-tem; Council Member Pierce motioned to elect Council Member Stan Holt as Mayor Pro-tem, Council Member Jackson seconded, unanimously approved.
- III. LIQUOR LICENSES**
 - 1. Liquor License Renewal – La Tazza Espresso Bar and Café** – Council Member Jackson moved to approve the renewal, Council Member Weiler seconded, motion carried.
 - 2. Liquor License Transfer of Ownership from New Hunan to Johnny Zhong** – Council Member Cotton moved to approve the transfer, Jackson seconded, motion carried.
 - 3. Special Event Liquor License – Folkwest, Inc (Town Park, June 6)**
 - 4. Special Event Liquor License – Folkwest, Inc (Reservoir Hill, June 7 - 8)** – Council Member Atkinson moved to approve both Special Events licenses, Council Member Holt seconded, motion carried.
 - 5. Special Event Liquor License – Pagosa Springs Area Association of Realtor’s - CANCELLED**
 - 6. Liquor License Renewal – Pagosa Bar** – Council Member Pierce moved to approve the liquor license renewal, Council Member Jackson seconded unanimously approved.
- IV. DELEGATIONS**
 - 1. Drug Prevention Coalition - Joanne Irons** – The Promoting Prevention Coalition presented their mission statement report on programs that they have done and are planning to do. Joanne Irons explained this coalition includes parents, Human Services, San Juan Basin Health, Southwest Mental Health, police, faith-based organizations, students and recently El Pomar. The organization focuses on preventing costly problems like drug abuse, bullying, teen pregnancy, school drop-out and many other local issues. Teen programming to give these age group activities to be involved in during after school and give back to the community. This coalition would like to make prevention their focus and share with the Town to support their project for 14-18 year olds. They would like a teen center designed by the teens with positive activities for teens.
 - 2. County Home Rule Presentation - Teddy Herzog** - The Home Rule Charter Study Committee is getting a petition together for the November election for a home rule charter vote for Archuleta County. An 11 member Home Rule Charter Commission, if the petition is fulfilled, would be elected by the voters, they are to write a Home Rule Charter then June or July of 2009 another election would give the voters the opportunity to accept the Charter. The Organizational Chart of a Home Rule Charter could change structure relating to manager, commissioners, initiative and referendum process, districts, and partisan/non-partisan.

3. **Pagosa Quality Fishing Project – Thaddeus Cano/Mark Mesker** - This project is to support the local economy by bringing more fishermen to the community to spend their money in our Town. They propose to have more fish stocked into the river by Pagosa Quality Fishing, more than any other town the tourists might visit; this would increase the taxes with lodging, licenses and shopping. Marketing ideas include tagging the fish with coupons to win a free dinner, barbeque, and possibly a car. Cappy White a local business owner would like this to have an immediate impact on the economy; Mark Mesker believes the right marketing will have an immediate impact. The funding needed to stock the fish, web site set up for this program, and printed media is approximately \$50,000. This could be an ongoing project to attract people to the site year round by submitting their photos of the fish they caught in Pagosa.

V. NEW BUSINESS

1. REVIEW OF PLANNING COMMISSION ACTIONS FROM APRIL 22, 2008

- a. **Hickory Ridge Minor Subdivision** – The applicant, represented by Reynolds & Associates, has submitted a request to subdivide a portion of Lot 14, Block 17, Townsite of Pagosa Springs into two parcels. The Planning Commission reviewed this request and motioned to recommend approval of the minor subdivision with conditions recommended by staff. These include (1) revise survey plat per staff's comments; (2) submit completed utility checklist; (3) submittal of final plat for recording; and (4) submit verification of paid taxes. Council Member Holt moved to approve the request with the recommended conditions, Council Member Cotton seconded, unanimously approved.
- b. **Pradera Pointe Subdivision, Phase I, Final Plat** – The applicant is requesting a final plat review. The Planning Commission has reviewed this request and motioned to accept with four conditions. The applicant has completed three out of the four conditions requested by the Planning Commission and it is recommended the Town approve the request with the condition that the applicant revise engineering plans and engineering cost estimates to include street lighting. Council Member Cotton moved to approve the request with conditions and to authorize Mayor Aragon to sign the Development Improvements Agreement as drafted, Council Member Weiler seconded, unanimously approved.
- c. **Koch Lot Consolidation** – The applicant has submitted a request to consolidate Lot 17 & 18, block 49, Townsite of Pagosa Springs into Lot 17X. The Planning Commission has reviewed the request and recommends approval with two conditions, (1) revise survey plat per staff's comments; and (2) submittal of final plat for recording. Dennis Lopez owns the adjacent property to the Koch lot. Mr. Lopez stated the property pins placed by Koch encroach onto his property and he was concerned his fence would be removed. Mr. Lopez stated at the Planning Commission meeting it was suggested that property owners on Block 49 create a plat that everyone agrees on, have it signed by the property owners and record the plat. Mike Davis with Davis Engineering explained that building had started on the southern side of the block and each survey has added .24 feet per lot until eventually they got to the other monument with a smaller front footage on the last lot. Council Member Holt suggested that this is a plat amendment process and resurveying needs to be agreed by the neighbors and completed by the neighbors, that this is not a matter for Town Council to rectify the plat within the block. Council Member Jackson moved to approve the request based on two conditions as recommended by the Planning Commission, Council Member Holt seconded, unanimously approved.
- d. **286 Mesa Drive Conditional Use Permit** – The applicant has requested a condition use permit to operate a bed & breakfast from this address. The Planning Commission has reviewed this request and suggests approving the CUP with the conditions, (1) the permit be transferable; (2) the permit shall become void upon discontinued use or lapse in B&B use for a period of six months; (3) the B&B shall be operated as a traditional bed & breakfast with owner/manager on-site; and (4) guest vehicles shall not utilize on-street parking. Mr. Glenn Walsh asked what seasonal meant according

to their application and a staff suggested the application came to them as seasonal and that this is not defined but as a condition if discontinued use or lapse in B&B use for a period of six month would void the permit. Council Member Jackson said that this CUP is more of a marketing tool for Mr. McDermott to sell the property and added the benefit of it being transferable to a new owner. Mr. McDermott explained that over 300 letters were sent out and only four came back with a negative comment. Council Member Jackson moved to approve the CUP request with the four recommended conditions of the Planning Commission with a contingency of a maximum of six guests per night, Council Member Weiler seconded, unanimously approved.

2. **Resolution 2008-09 Amending Planning Commission Member Terms** – The Town has 4 existing members of the Planning Commission, however, staggered terms, as required by the code have not been established. In order to be consistent with code and rectify the terms of office, staff recommends establishing new terms for the members of the Planning Commissions as follows: Kathie Lattin – Nov. 2004-Jul. 2010 (2 years) Angela Atkinson – Dec. 2006-Jul. 2012 (4 years) Natalie Woodruff – May 2005-Jul. 2012 (4 years) Tracy Bunning – May 2008-Jul. 2014 (6 years) Vacant Seat – May 2008-Jul. 2014 (6 years). As proposed, these terms will allow for staggered appointment/resignation from the Planning Commission to ensure that there is continuity in membership. Council Member Weiler moved to approve the resolution, Council Member Holt seconded, unanimously approved.
3. **Resolution 2008-10 Appointing Planning Commission Members** – Consideration for the appointment of members to the Town’s Planning Commission. Staff has received multiple inquiries from County and Town residents to fill a vacant Planning Commission seat. The council would need to modify the Municipal Code in order to consider an appointment of an Archuleta County resident. Council Member Weiler moved to approve resolution 2008-10, reappointing Tracy Bunning and appointing Teddy Herzog to the Planning Commission for a term ending July 1, 2014. Mayor Aragon disagreed due to insensitive statements and the comment “tiny shacks that exist on 8th Street” made by Mr. Herzog. Mr. Herzog says he did not mean it as a disparagement toward anyone and understands Mayor Aragon’s disagreement. Council Member Pierce moved to open a seat to a county resident and that although Mr. Bobby Hart, who submitted a letter of intent, is very capable, a county resident may be a good option to the commission. Council Member Jackson seconded. Council Member Cotton disagreed and would like to see Town residents step up and submit a letter of intent to serve. Mayor Aragon agrees that the Town should only appoint Town residents. Council Member Cotton moved to rescind the action taken to at the April meeting suggesting staff amend the resolution to open a seat to the county. Council Member Pierce moved to direct staff to open a seat to county, no second. Council Member Atkinson moved to approve resolution 2008-10, reappointing Tracy Bunning and appointing Bobby Hart to the Planning Commission for a term ending July 1, 2014, Council Member Weiler seconded. Motion approved.
4. **Resolution 2008-11 Adopting Parks, Open Space, Recreation and Trails Master Plan** – This resolution asks the Town to adopt a community-wide master plan for parks and recreation-related initiatives that include the Town, County, School District, and Southwest Land Alliance. Greenways Inc. has, after numerous field studies, surveys and public meetings, developed the Regional Parks, Recreation, Open Space and Trails Master Plan, which conforms to the Town’s Comprehensive Plan. The Town is not financially obligated nor does this resolution demand fiscal conformance, but should be used as a reference when feasible opportunities to fund the suggested projects arise. The Town’s Parks and Recreation Commission unanimously recommend the approval and adoption of the plan by Town Council. Council Member Holt believes if the Town approves the resolution, this resolution should be sent to the parties involved so that they understand that the Town has adopted this resolution. Mr. Whiting with the Southwest Alliance says the goals directly reflect a deep and clearly expressed community value of the highest priority. He explained this plan has been nominated for an award of excellence by the American Planning Association. Mr. Chacey is glad to see the Town adopt this resolution and explained that this resolution is a part of the County’s comprehensive plan. Mr. Harity has concerns with

the language and governance and with the County taking the lead in the resolution instead of the Town. Council Member Holt moved to approve the resolution and that a signed copy be sent to the County, School District, and Southwest Land Alliance so indicating our approval with comments of concern in regards to governance language and expenditure of funds, Council Member Pierce seconded, unanimously approved.

5. **Resolution 2008-12 Amending Town Council Meeting Dates, Times and Location** – This resolution amends Ordinance No. 702 adopted on Jan. 2, 2008 setting Town Council meeting dates, times and location. At the April 17, 2008 meeting, the council agreed to set a regular mid-month meeting on the 3rd Thursday of every month at 12:00pm. This resolution reflects this new date, time and location for regular town council meetings. Council Member Cotton moved to approve Resolution 2008-12, Council Member Holt seconded, unanimously approved. The next Town Council meeting will be set for the 15th of May.
6. **Ordinance No. 711 (First Reading) Amending Council Districts** – This ordinance amends Ordinance No. 654 establishing Town Council districts and adds portions of the newly annexed properties in the Schlaefli Anex and Putnam Annex into District 1 and District 2 as reflected on the map within the proposed ordinance. Council Member Jackson moved to approve the first reading, Council Member Atkinson seconded, unanimously approved.
7. **Request to apply for CDBG funds on behalf of Opportunity Builders** – This is a request from Opportunity Builders, a company proposing to construct Hickory Ridge Apartments (forty-one affordable rental units) near North 8th Street and Florida Street, for the Town to apply for CDBG funds on behalf of their project. The applicant has recently discovered a gap in financing for this project of approx. \$213,000 due to current market conditions in the tax credit market. The town has processed CDBG grants in the past and found them to be a necessary source of income for projects, however the grants tend to be labor intensive to administer. This request asks the Town to apply for the grant on behalf of Opportunity Builders with the condition that the application requests administrative funds to assist the Town in covering the costs of administering the grant. Council Member Atkinson suggested the intern option previously discussed or outsourcing be considered for the administration of the grant. Council Member Atkinson moved to approve the request contingent on there being an allowance within the grant for compensation of the labor for the administration of the grant, Council Member Cotton seconded, unanimously approved.
8. **Selection of an Executive Search Firm** – At the May 1st, 2008 meeting, staff presented four proposals from consulting firms for completing the advertising, search and hiring of a town manager. Staff needs Council to establish a salary rang and select a firm for this hiring process. Mr. Harity would like the Town Council to consider getting the best talent available to the Town rather than using a less expensive advertising. Council Member Weiler moved to accept Mercer Group as the executive search firm, Council Member Holt seconded, motion carried. The salary range should be explored by Mercer Group to produce a range and bring it to council for approval.

VI. OLD BUSINESS

1. **Ordinance No. 709 (Second Reading) – Vested Rights 3 Lanterns Inn and Spa** – The applicant, Bootjack Management Company, is requesting vested rights to develop their project approved 3 Lanterns Inn and Spa project located at 215, 227, 239 and 243 Pagosa Street, Lots 3-8, Block 28. “Vesting” is a process that is enabled by C.R.S. Article 68, Title 24, which provides a procedure necessary to establish vested property rights associated with land use and development approvals. In short, the vesting process ensures reasonable certainty, stability, and fairness to an applicant that the approval of a project, as approved, is guaranteed for a certain time period. The Town Council approved the project on November 6, 2007 and approved the first reading of this ordinance at the April 1st, 2008 meeting. BJM has requested the vesting period for this project be for a term of 5 years. Council Member Jackson motioned to approve the second reading, Council Member Cotton seconded, unanimously approved.

2. **Ordinance No. 710 (Second Reading) – Vested Rights 232 Pagosa Street** – The applicant, Bootjack Management Company, is requesting vested rights to develop their project approved 232 Pagosa Street, more specifically Lots 231, 32, and 33 of Block 28. The Town Council approved the project on November 6, 2007 and approved the first reading of this ordinance at the April 1st, 2008 meeting. BJM has requested a vesting period for this project be 5 years. Staff needs direction in regards to the cost sharing improvement in the impacted alley and 2nd Street. Council Member Holt moved to approve the second reading, Council Member Cotton seconded, unanimously approved.
3. **Springs Resort Correspondence Review possible Executive Session per C.R.S. Section 24-6-402(4)(a)** – This Springs Resort submitted a memo to Town Council for consideration at the April 16th, 2008 work session. The Council met to discuss a response to this memo at the April 21, 2008 meeting. Staff is currently working to draft a response to this memo and asked to table this until the mid-month meeting. Mayor Aragon agreed this will be addressed at the May 13th special meeting at 12noon.

VII. DEPARTMENT HEAD REPORTS

1. **Planning Department Report – Joe Nigg** – The Planning Department’s priorities include, (1) great customer service and dissemination of accurate information in regards to the planning process and project; (2) accurate and detail oriented reviews of projects with assessment of compliance with Town codes and policies; (3) staff support and accurate information to the Planning Commission and Historic Preservation Board; (4) coordinate training opportunities for appointed and elected officials in regards to planning techniques and projects such as annexations; (5) continue to work with the Land Use and Development Code Committee to create a LUDC that works to implement the Comprehensive Plan and address downtown redevelopment; (6) continue to work with the Wayfinding Signage, Logo Development and Streetscape Furnishings advisory committee to complete a plan and work towards implementation; (7) work towards implementation of adopted plans such as the comprehensive plan, downtown master plan, regional parks, open space, trails and recreation master plan. Council Member Weiler would like to know the skills, process, and tools needed to provide great customer service, and what help Joe needs from the Town Council to create a positive environment for development in our community. Council Member Weiler asked for a quantifiable specific measurement tools with a base line to compare what is, to what our vision is. Council Member Weiler stated “our vision is a positive environment for development in the community”. Joe Nigg agrees and will have that information to the council by May 15th.
2. **Parks and Recreation Department - Tom Carosello** – The Parks and Recreation Commission meeting concerned a request to evaluate new outdoor-recreation amenities. Specifically, the commissioners and staff were presented with a proposal from a group of disk-golf enthusiasts who wish to explore the possibility of constructing a permanent, sanctioned disc golf course on the southeast portion of Reservoir Hill. The recreation programs are up and running, with T-Ball down in numbers, it has been made up with the youth baseball numbers. Youth tennis is finalizing agreements with Wyndham Resorts to start this summer program. The park fun staff has agreed to move its home base to the community center. Robert Creech was hired as the new parks maintenance worker. The capital Improvements projects have proceeded according to plan. Barring weather delays, Work on Phase II of the Sports Complex should be on schedule. The Parks and Recreation priorities include; (1) work on the Sports Complex Phase II including curb/gutter, parking and sidewalks; (2) Renovations of restroom facilities and grading and drainage work on the old BMX course at the South Pagosa Park; (3) formulate a plan which can be used to guide the evaluation of future development proposals for Reservoir Hill Master Plan; (4) enhance the River Walk and Reservoir Hill trail system by completing the Town Park Pedestrian Bridge; (5) evaluate the option of implementing a Teen Recreation Program; (6) 2009 projects include Re-paving the River Walk, Construction of the “Town to Lakes Trail” and the Relocation of the Skate Park.
3. **Town Tourism Committee – Diane Calderon** – The TTC priorities include; (1) the selection of a new marketing firm; (2) working with Nuzser/Kopatz & Town Staff on

Wayfinding project and logo design, banners and gateway signage; (3) Special Events including disc golf set for June and Race in September, the fish stocking project, tourism related projects, assist groups with events; (4) finishing the last phase of the website, update the site with news and pictures, email blast monthly; (5) media placement to update ads, Colorado Activity Center Vacation Planners, Billboards, Around 505, Colorado Springs Gazette and Colorado.com; (6) continue to work with the Pagosa Lodging Association that may align themselves with our mission.

4. **Building Department – Scott Pierce** – The Building Departments priorities include; (1) continue current service levels of inspections available the following business day with special cases inspected sooner if possible, and plan review at a 10 working day turn around; (2) continue to make itself available for code compliance assistance and education to trades, designers and other industry interests; (3) adoption of the State Legislature mandated Energy Code, training, and forthcoming seminar or informal training for contractors and designers; (4) staff will continue to pursue International Certifications; (5) continue the business licensing campaign asking all Town businesses to comply; (7) long term objectives include continuing to improve overall service levels, provide education through open door policy, local meetings, and sponsored workshops, continue staff education, implement a computer program to allow issuing and tracking of permits, and adopt the International Plumbing Code and begin plumbing inspections.
5. **Municipal Court – Candace Dzielak** – The Municipal Court priorities include; (1) maintain an independent judiciary (2) dispense justice fairly and quickly, allowing defendants and victims their day in court; (3) maintain a professional and courteous atmosphere; (4) continue to hold juveniles accountable for their criminal behavior, using creative sentencing and taking the time necessary to make a difference in their lives.
6. **Street Department – Chris Gallegos** – The Street Department priorities include; (1) street signage, potholes, drainage, grading, painting curbs and crosswalks, weeds, limbs, trash, plowing and gravel; (2) shop work on all equipment, oil changes, welding and repairs, fencing, lighting, tires and chains; (3) sidewalks, river walk, reservoir hill work, fencing, geothermal breaks and checks, and help with sanitation and parks; (4) special projects that include tearing down the old Mary Fisher building, building of South Pagosa Park to fit plans, prep work for the 4th of July including chip & seal and Magnesium Chloride to the roads, prep work for the Folk Festival, River Walk repairs, Hill Top Cemetery clean up and road grading.
7. **Police Department – Don Volger/Jim Saunders** – The Police Department priorities include; (1) prepare for the transition resulting from Chief Volger’s retirement at the end of this year; (2) make a number of significant drug related arrests resulting in numerous seizures; (3) participate in the development of a consolidated emergency communications system for Archuleta County; (4) pursue grant funds for the purchase of a new records keeping system; (5) update the Department’s operations manual with a comprehensive review and rewrite.
8. **Clerk/Finance Department – April Hessman** – The Clerk/Finance Department priorities include; (1) business licensing support; (2) budget process assistance; (3) provide quarterly updates to staff and council regarding financial expenditures; (4) inventory assets for GASB-34 in accordance with Town audit procedures; (5) provide administrative assistant to staff and Town Manager.
9. **Interim Town Manager Report – Tamra Allen** – The Historic Preservation Board has a board position available due to the departure of Patty Baratti-Sallani. A walking tour is scheduled for May 10th and the completion of a poster contest with the intermediate school was a success. A request was received from Bob Hart to modify the sign code regulations in regards to the permitting and allowance of off-site temporary signs which are currently prohibited. A small committee to research options for temporary event signage will present their recommendations to the Planning Commission at an upcoming meeting. The LUDC Advisory Committee met on April 14, 2008 to discuss residential heights and recommendations will be forwarded to Clarion & Associates for implementation into the draft code, module 2 of the draft code is expected by the end of May. Due to Tony Simmons not being re-elected to the Town Council, it is recommended that Shari Pierce

who has been on the LUDC to represent the public and who was recently elected to the Town Council serve on the board as a member of the Town Council, and that Tony Simmons serve as a member of the public. Council Member Jackson would like to assume the position that Tony Simmons previously held. Council Member Pierce suggested inviting Council Member Jackson to represent the Town Council and retain Tony Simmons as a member of the public for the LUDC Committee. Kathie Lattin is recommended and agreed by Council to replace Conrad as the Planning Commission representative. Staff has received a petition from Blue Sky Village to annex 96 acres along Highway 84. Attorney Bob Cole has the petition at this time and staff has scheduled this petition to be considered at the June council meeting. To date, the staff has not received an annexation petition from Levine or Pagosa Springs Enterprises (Rodeo Grounds). Training on annexations has been scheduled for May 29th, 2008. The Steering Committee will meet on May 12, 2008 at 5:30pm to review the sign messaging, location and logo concept with Nuszer-Kopatz with hopes of a final plan returned shortly thereafter. The Town and County Planning Commission members met on March 19th to discuss regional planning issues which revealed a desire to commence preliminary discussion on how to create a regional growth management IGA. Staff has contacted Sonoran Institute who has agreed to facilitate initial discussions in regards to creating a regional growth management IGA. A work session has been tentatively scheduled for May 28th if Council agrees this is a policy direction the Planning Commission should pursue. Council Member Weiler suggested that all these projects are a lot for the shifting planning department to handle. Tamra suggested it can be done with a contract planner or someone who can help fill that duty. Tamra will provide priorities for the interim town manager at the retreat when scheduled. Sales tax is up in March 1.48% from February. The Chamber of Commerce requests to move the farmers market to the overlook area, after discussion this request was unanimously approved by Council. Business licensing is going well extending a \$25 discount to new licenses through the 31st of May. Capital improvement project are moving along, Torry Hessman the construction manager is handling all these projects. The Lewis Street project is going well and the designer has captured the businesses very well on that project, the Town Park pedestrian bridge project is also coming along great. Torry explained that although the Town Park pedestrian bridge is going well, the Hermosa Street project ran into a snag with the landowner and options are being addressed. The Lewis Street project might be pushed until spring of 2009, although they are working hard to get it completed this year. Ken Charles with DOLA would like the Town to apply for additional grants since the fees have increased from the conception of this project. The Lewis Street project is the number one capital improvement project and the council is concerned with getting it started after the 4th of July. Mike Davis with Davis engineering suggests the Town give incentives to sub-contractors to get the project done this year. Don Goodwin with the Archuleta Education Center announced he is withdrawing his request to discuss the shop location swap with the Town. Mercy Korsgren, the Community Center Coordinator, officially resigned and interviews for a replacement are almost complete. Mercy will remain available to train the new hire. Mayor Aragon's litter campaign will implement no littering signs along with CDOT, Forest Service, Pagosa Lakes and others coming together with a unified effort in awareness. The recycling program needs some enthusiasm to wants the Town to begin the effort. Tamra has applied to NREL (National Renewable Energy Laboratory) and has been accepted to attend leadership training one Friday per month for a six month period.

VIII. APPROVAL OF BILLS – Council Member Holt moved to approve the bill, Council Member Jackson seconded, motion carried.

IX. ADJOURNMENT – On a motion duly made the meeting adjourned at 9:04pm

**Ross Aragón,
Mayor**

**PAGOSA SPRINGS SANITATION
GENERAL IMPROVEMENT DISTRICT MINUTES
TUESDAY, MAY 6, 2008
5:00 P.M.**

X. CALL MEETING TO ORDER – Mayor Aragon, Council Member Atkinson, Council Member Cotton, Council Member Holt, Council Member Jackson, Council Member Pierce, Council Member Weiler

XI. APPROVAL of MINUTES FROM APRIL 1st and APRIL 17th, 2008 MEETING – Minutes were approved as read.

XII. DELEGATIONS

XIII. NEW BUSINESS

- 1. Pradera Pointe Subdivision Line Extension Agreement** – The applicant, Gazunga LLC, is requesting a Line Extension Agreement for the Pradera Pointe Subdivision. The subdivision is within Town of Pagosa Springs and Pagosa Springs Sanitation General Improvement District Boundaries. The applicant is requesting to connect to an existing sewer main line that passes through their property. Council Member Jackson moved to approve the Line Extension, Council Member Pierce seconded, unanimously approved.
- 2. Discussion on Change of Equivalent Units** – Since the start of the business licensing process, a review of all applicants has turned up some unknown conditions with customers. Staff has found that several restaurants (generally) have been under billed by the Equivalent Units (EU's) that they are currently being assessed. The current district cost for an EU is \$3,750, non-payment of these EUs has a direct financial impact on the district and funding of the new WWTP facility. Staff would like direction if the district should enforce Section 4 of the Sanitation District Regulations and seek payment for additional EUs (or taps) that the customer is using. Mr. Davis suggests that if the business started ten or fifteen years ago, would they have paid these fees back then? Council Member Weiler suggests going to Bob Cole concerning an ex-post facto ruling to get a decision. The Town Council agreed that charging for past EUs is not an option, but that business owners need to start paying for their monthly usage. Discussion regarding ways to meter the amount of sewer usage included the current square footage usage and water usage billing through PAWSD. Phil Starks, sanitation supervisor, will return to Council with options for billing the sewer usage.

XIV. OLD BUSINESS

- 1. Update on New Waste Water Treatment Plant** - Tamra met with Brilliam engineering to process the design of the facility and plans to have more information at the end of 2008, the project won't begin until 2009. The bonding agencies and fee structures are being worked on by Tamra and she will be bringing back more information to Council when it's available.

XV. DEPARTMENT HEAD REPORT

- 1. Supervisor Report** – March's flows were very high .577 MGD on average and we had an 85% removal rate for BOD. There were two violations for hydraulic over loading due to the spring run off. This is not a huge problem but it shows us that more inflow and infiltration (I&I) prevention is still required. There were no spills or clogs to report. The priorities of the Sanitation Department include; (1) building a new wastewater treatment plant; (2) exploring options with PAWSD and County for a joint composting operation with an RFP from CDM; (3) repair of collection

system, after this winters run off we have a long way to go; (4) looking into different power options for cost savings with renewable energy sources, these ideas might include a water wheel to run the treatment plants blowers and create a river feature for the town, restore the electric power plant to use as a new town shop and run the new treatment facility with the electricity it produces; (5) plan for the worst and upgrade areas weekly. The Geothermal Department priorities include; (1) expand the current customer base to add revenue and allow the geothermal system the ability to apply for grants, currently there are only 27 customers and Phil would like to get more customers tie on to the system by offering incentives; (2) adopt either a SOP or Rules and Regulations for the department; (3) expand the distribution system; (4) look for energy grants to develop a non-consumptive use of the Geothermal water.

XVI. APPROVAL OF BILLS - Council Member Jackson moved to approve the bills, Council Member Pierce seconded, unanimously approved.

XVII. ADJOURNMENT – On a motion duly made, the meeting adjourned at 9:49pm