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## **TOWN COUNCIL MEETING MINUTES THURSDAY, OCTOBER 16, 2008 12:00 P.M.**

- I. CALL MEETING TO ORDER** – Mayor Aragon, Council Member Atkinson, Council Member Cotton, Council Member Holt, Council Member Jackson, Council Member Pierce
- II. LIQUOR LICENSES**
  - 1. Temporary Liquor License Permit – Nello’s Inc. dba LaTazza** – Council Member Pierce moved to approve the temporary liquor license, Council Member Atkinson seconded, unanimously approved.
- III. DELEGATIONS** - none
- IV. NEW BUSINESS**
  - 1. Consideration of a Geothermal Lease for Town Wells PS-3 and PS-5 between the Town of Pagosa Springs and Gulfstream Worldwide, Ltd, Northwestern Investments, Inc, Albuquerque Properties, Inc and Pagosa Resort and Spa, Inc.** – After direction from Town Council at the October 7, 2008 meeting, staff and legal counsel are working to finalize the next draft proposed lease. This item is continued until the November 5, 2008 meeting. David Smith would like the council to be aware that wells 3 and 5 usage might affect the aquifer and the other wells in town. He suggests the town include in the lease that the aquifer be monitored and should it be taxed then the ability to cut back the gpm. He also suggests the Springs act on their own water rights with it’s well. Council Member Holt moved to continue this item regarding the lease between the Town and Gulfstream Worldwide until the November 5<sup>th</sup> meeting, Council Member Jackson seconded, motion carried.
  - 2. Lucero Request to purchase property at 873 County Road 500** – The town purchased 6.06 acres of property located at 873 County Road 500 from Clifford Lucero in 2005 with the intent to develop affordable housing on the property. Mr. Guzman Lucero is requesting to purchase the property from the Town. He would like to open a recycling center on the property. Council Member Jackson moved to approve the retention of this property for the purpose of development of future affordable housing as originally intended when the property was purchased, Council Member Holt seconded, unanimously approved.
  - 3. Consideration for executing an employment contract with David Mitchem for the Town Manager Position** – The Town Council extended an offer of employment for the Town Manager’s position to David Mitchem of Castle Rock, Colorado at the October 7, 2008 meeting. Town’s legal counsel has developed an Employment Agreement to be considered. Council Member Pierce read the changes to include beginning date of November 3<sup>rd</sup> for a 4 year term, reasonable amount of time to move into the town limits will be 18 months, the housing allowance will be \$20,400 and the typo corrected, after the first year the housing allowance will drop to \$1,200 per month and the town will begin contributions to the employee’s deferred compensation retirement plan, prior approval will be required for reimbursement of fees to participate in any community group, town manager to commit to exclusive employment with the town for four years, remove language involving notification of termination prior to his being terminated. Council

Member Pierce moved to approve the employment agreement between David Mitchem and the Town of Pagosa Springs, Council Member Holt seconded, unanimously approved.

4. **Resolution 2008-29, Appointing David Mitchem as the Town Manager** – Based on the anticipated approval of Agenda Item V.3, the council should consider the approval of this resolution appointing David Mitchem as Town Manager effective November 3, 2008. Council Member Jackson moved to approve Resolution 2008-29, Appointing David Mitchem as Town Manager, Council Member Atkinson seconded, unanimously approved.
5. **Discussion in regards to the 2009 Budget** - The version 1 of the budget is a direct result of the sub-committee to reduce the sales tax revenue cuts by 22% and associated departmental cuts by 22%. Mayor Aragon would like a work session at noon Friday the 24<sup>th</sup> of October to discuss the budget.

## V. OLD BUSINESS

1. **Discussion in regards to Payment of Monthly Bills** - The bills are paid every Friday and each month the town approves those payments. The current system works very smoothly with the department head having to approve the payments from their budget. Overages in the department budgets are brought to the town manager, capital overages are brought to the town council. Council Member Cotton would like the town to continue to pay the bills as they are currently being paid.
2. **Discussion in regards to San Juan Riverwalk Phase II, a CDOT Enhancement Project** -Torry Hessman explained the concerns of the Uniform Act and the offer to the Watters property has violated the contract with CDOT. Mr. Hessman suggests letting the CDOT grant go, secure the property easements, and then apply for the grant. Council Member Holt moved to return the grant monies for the Riverwalk Phase II and Hermosa Street bridge project back to CDOT, also the contract and resolution terminated, Council Member Atkinson, unanimously approved.
3. **Discussion in regards to town clean-up and code enforcement** - James Dickhoff with the building department has been working on the junk and nuisance enforcement along with Council Member Jackson. Mr. Dickhoff says most everyone is working to clean up their junk. There have been two hardship cases and one has been taken care of, cars can be picked up for free on donatecars.com and A-1 Services is taking Freon out of refrigerators free of charge.
4. **Greenhouse** – Mr. Mitchell says the EDA have applied for the Acre grant for the feasibility study project to look into the issues and projects moving forward with the Geothermal Greenhouse.
5. **Attending a meeting** – Legal counsel has informed the town council that the definition of a council member in attendance includes by phone as long as all the council members can hear one another.

## VI. ADJOURNMENT – Upon motion duly made and seconded, the meeting adjourned at 1:09pm.

**Ross Aragón**  
**Mayor**