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**TOWN COUNCIL MEETING MINUTES  
TUESDAY, MARCH 3, 2009  
Town Hall Council Chambers  
5:00 P.M.**

- I. **CALL MEETING TO ORDER** – Mayor Aragon, Council Member Cotton, Council Member Holt, Council Member Jackson (late), Council Member Pierce, Council Member Weiler, Council Member Volger
- II. **APPROVAL of MEETING MINUTES FROM FEBRUARY 3<sup>RD</sup> AND 19<sup>TH</sup>, 2009** – Minutes were approved as read
- III. **LIQUOR LICENSES**
  - New Liquor License – Pizzeria Crocco LLC dba Diorios South Pizza (DSP) 100 Country Center Drive Suite C** – Council Member Pierce moved to approve the new liquor license, Council Member Volger seconded, unanimously approved.
  1. **Renewal Liquor License – Silver Dollar Liquor Store**
  2. **Renewal Liquor License – Shanghai Restaurant** – Council Member Cotton moved to approve the two liquor license renewals, Council Member Pierce seconded, unanimously approved.
- IV. **DELEGATIONS**
- V. **NEW BUSINESS**
  1. **REVIEW OF PLANNING COMMISSION ACTIONS FROM DECEMBER 15, 2008**
    - a. **Reservoir River Ranch Sketch/Preliminary Plan (continue until completion of second reading)** – The applicant, Fairway Land Trust, is requesting the concurrent sketch/preliminary review of a subdivision consisting of approximately 561 acres located adjacent to Light Plant Road and Highway 84. The Planning Commission recommended approval of the project with seven (7) conditions as outlined in the December 12, 2008 meeting. Due to the processing for this annexation/subdivision request and per Town Attorney advice, the Council should not act until second reading of the ordinances annexing/zoning the property have been completed. Mayor Aragon opened to public comment.
    - b. **Pradera Pointe Phase I Final Plat Extension Request** – The applicant Gazunga LLC has submitted a request for a one (1) year extension of the Pradera Pointe Subdivision Phase 1 Final Plat Approval. The Council approved the phase 1 final plat on May 6, 2008 and is valid for one year. Mayor Aragon opened this item to public comment. Council Member Volger moved to approve the Pradera Pointe Subdivision Phase 1 Final Plat extension for an additional one (1) year, to expire May 6, 2010, Council Member Holt seconded, unanimously approved.
    - c. **Garbonzo Grill Conditional Use Permit (191 East Pagosa Street)** – The applicant Jonathan Terry is requesting a conditional use permit to operate a temporary vending unit at 191 East Pagosa Street. The vending unit would operate from March 2009 thru August 2009. The Planning Commission recommended approval at their February 24, 2009 meeting contingent upon six (6) items. Mayor Aragon opened this item to public comment. Council Member Pierce moved to approve the Garbonzo Grill Conditional Use Permit, as recommended by the Planning Commission at the February 24, 2009 meeting with six conditions, Council Member Cotton seconded, unanimously approved.
  2. **Ordinance No. 737 (First Reading) Adopting Fines, Surcharges, and Points for Municipal Traffic Violations** – The Pagosa Springs Police Department would like to adopt a modified fine, surcharge, and point schedule consistent with Title 42 of the Colorado Revised Statutes. The assessed surcharges, when collected, will be accounted for thru a Police Surcharge revenue line item and will be expended on vehicle maintenance and gasoline costs incurred by the Police Department. Mayor Aragon opened this item to public comment. Council Member Holt moved to approve first reading of Ordinance No. 737 Adopting Fines, Surcharges, and Points for Municipal Traffic Violations, Council Member Volger seconded, unanimously approved.
  3. **Ordinance No. 738 (First Reading) Amending Certain Definitions in Regards to Residential Dwelling Units and Establishing Associated Use-Specific Regulations** – The Council recently completed second reading of Ordinance No. 735 adopting a new land use code, since this time, staff has identified an oversight in regards to residential dwelling unit definitions. The new code includes incorrect or misleading definitions for ‘manufactured’, ‘mobile’ and ‘single-family’ homes and is therefore incorrectly implemented into the permitted use chart. The proposed revisions and use-specific regulations will align the land use code with the original intent of the Town and the direction provided by the Land Use Advisory Committee that was incorrectly translated

into the Feb. 3, 2009 code. Additionally, definitions will be correctly represented in the code and the permitted use chart will provide further clarity. Mayor Aragon opened this item to public comment. Council Member Volger moved to approve first reading Ordinance No. 738, Amending Certain Definitions in Regards to Residential Dwelling Units and Establishing associated Use-Specific Regulations, Council Member Holt seconded, unanimously approved.

4. **Resolution No. 2009-08 Appointing Town Tourism Committee Members and Re-Establishing Terms** – The TTC received four applicants for the TTC board; Ms. Suellen Loher, Mr. Dan Rosenblatt, Mr. Bill Hudson and Mr. John Harper. The TTC also recommends the appointment of Angel Preuit to represent the Chamber of Commerce, and the reappointment of members whose terms expired on January 31, 2009. Mayor Aragon opened to public comment. Council Member Pierce moved to approve Resolution 2009-08, Appointing Mr. Dan Rosenblatt, Mr. John Harper and Ms. Suellen Loher to the Town Tourism Committee; appointing Angel Preuit to the Town Tourism Committee and Reestablishing Committee Member Terms, Council Member Holt seconded, unanimously approved.
5. **Resolution No. 2009-10, Amending Budget FY 2009** – An IRS audit found that the Town owed Medicare taxes of \$25,750.04 from 2006 thru 2008 for police department officers who were thought to not have been subject to Medicare. The Town and its officers have been paid into the Fire and Police Pension Association and it was thought that the FPPA contributions satisfied the Medicare withholding tax requirement. This resolution addresses the expense to the IRS for this audit, along with several other items including attorney fees reimbursed by developers, NRA grant revenue and expenses, traffic surcharges, web site expenses, and the tracking of County Treasurer's fees associated with property tax collection. Mayor Aragon opened to public comment. Council Member Holt would like a mid-year review to adjust the bottom line. Town Manager David Mitchem explained that the town has a process in regards to the approval of invoices and the process if the bottom line in that fund should go over the budgeted amount. The Town Manager agrees with Council Member Holt that a mid-year review of the budget is necessary. Council Member Holt moved to approve Resolution 2009-10 amending the Town's 2009 approved budget to include IRA Audit Response of \$25,750.04 and other income and expense items, thereby reducing general fund reserves by \$6,922, Council Member Pierce seconded, motion carried with one nay (Council Member Weiler)

## VI. OLD BUSINESS

1. **Ordinance No. 729 (Second Reading), Annex property known as Reservoir River Ranch** – Council approved Resolution No. 2008-30 initiating annexation proceedings at the November 5, 2008 meeting, subsequently, Resolution No. 2008-40 verifying eligibility was approved December 18, 2008. The proposed annexation includes 516 acres of property located adjacent to Light Plant Road and Highway 84. Council Members Holt and Weiler and staff met with Reservoir River Ranch representatives to discuss a number of issues within the draft annexation/development agreement including vested property rights, open space dedications, affordable/attainable housing, impact fees and real estate transfer fees. At this time a draft of the agreement has not been submitted. Mayor Aragon opened to public comment.
2. **Ordinance No. 730 (Second Reading), Zoning property known as Reservoir River Ranch** – The proposed zoning map identifies 304 acres as Town Residential, 11 acres as Mixed-Use Town Center and approximately 17 acres as Mixed-Use Residential. Council Member Cotton moved to continue this item until the next regularly scheduled meeting, Council Member Pierce seconded, unanimously approved.
3. **Resolution 2009-09 and the IGA for sponsorship of a GOCO mini grant for school district playground improvements** – Resolution No. 2009-09 ratifies Council's February 19, 2009 decision to sponsor a GOCO mini grant on behalf of Archuleta School District 50 Joint to upgrade the playground at the intermediate/junior high school. The Town assumes no financial risk and an IGA with the school district is included with the grant. Council Member Pierce moved to approve Resolution 2009-09, which supports the sponsorship of a GOCO mini grant for school district playground improvements, Council Member Cotton move to authorize the Mayor to sign the accompanying Intergovernmental Agreement with the school district, Council Member Volger seconded, unanimously approved.

## VII. DEPARTMENT HEAD REPORTS

**Parks and Recreation Department Report** – The county commissioners have appropriated \$50,000 in funding toward the possible construction of a new skate park. Council Member Pierce and Tom Carosello have explored alternative sites and Tom has been working with Karin Kohake, county special projects director, to polish the budget and in-kind documentation for the skate park grant. A Request for Proposal for this project will be sent out when a site is determined. Jim Miller with the parks department has been working to revise facility use agreements with the school as well as contracts with the Folk West group. The Sports Complex final grant report has been sent to GOCO.

**Planning Department Report** – A vacancy still exists on the Historic Preservation Board. A proposed project to rehabilitate the existing mural on Pagosa Street is in the works. Two easements along the proposed town to lakes trail are still outstanding, but staff has worked to attain these easements or to implement alternative options if the easements can not be obtained. In the past, the Town has paid for legal and engineering review costs associated with proposed development projects and then asked for reimbursement from the developer. The 'Agreement for Payment of Land Use Application Fees' gives the Town the ability to

collect a refundable deposit prior to the Town's acceptance of any application. Staff would like direction on whether the existing policy to apply this provision and require a refundable deposit in an amount determined/authorized by the Town Manger upon receipt of projects that will require legal, engineering or some other additional professional review is acceptable to Council. Council Member Holt supports the concept of deposits. Council Member Weiler suggests that if the outstanding payments are not paid within 90 days, the Town will put a lien on the property. Council agrees with looking into liens on properties. Staff has met with representatives of the Metro-District, Pagosa Partners I and Archuleta County to discuss an MOU to established maintenance and improvement responsibilities relating to a portion of Alpha Dr.

3. **Town Tourism Committee Report** – Lodging in 2008 down 3.5% versus 2007. January 2009 lodging tax is currently flat versus January 2008 with one property yet to submit their report in hopes of having an increase of 1% over last year. The TTC is currently operating under the fully agreed upon 2009 budget, but is closely monitoring lodging tax revenues and budget cuts by the Town Council. The TTC is working closely with the SUN and the Chamber to create an Official Visitors Guide. Barnhart Communications will be in town to conduct a photo shoot for the new brand. Mrs. Marcy Mitchell has stepped down from the TTC and was recognized and appreciated for her great help with the board.
4. **Town Manager Report** – The Archuleta County Treasurer's Office has begun retaining 2% of all sales tax collected for the benefit of the Town. Town Manager Mitchem drafted a letter for the Mayor's signature requesting the rebate of the 2% sales tax collection fee back to the Town. Mr. Greg Schulte and Commissioner Bob Moomaw received the letter very graciously and Mr. Mitchem believes the Commissioners will rebate the monies. Ken Charles will facilitate the Town Council spring retreat scheduled for Thursday March 5<sup>th</sup>, 2009. Sales tax revenue was up by 7.5% compared to December 2007; however of the declining two month average, sales tax is down 4.715%. A DOLA grant will assist the council in producing a multi-year capital improvement plan will be discussed at the retreat. The Town will find out March 18, 2009 if an additional \$200,000 of CDOT Enhancement grant funds will be awarded for the Town Park Pedestrian Bridge project. The impact fee study grant has been awarded and the Town's share of the matching funds will be \$4,645. The town manager and county administrator are drafting an IGA for the Council's consideration regarding the Urban Service Area Planning/Building Merger. The Town received approval from CDOW for the fishing mitigation on the San Juan River Restoration Project; the Town is waiting for a letter from the Army Corps before proceeding with the project.

**VIII. APPROVAL OF BILLS FROM FEBRUARY 2009-** Council Member Holt moved to approve the bills, Council Member Volger seconded, unanimously approved.

**IX. ADJOURNMENT** – Upon motion duly made, the meeting adjourned at 5:59pm

**Ross Aragón  
Mayor**