Tuesday January 3, 2006

The Mayor called the regular meeting of the Town Council of the Incorporated Town of Pagosa Springs to order at 5:00 p.m. with the following answering roll call:

Mayor:	Ross Aragon
Council Members:	Cotton, Holt, James, Simmons and Whitbred

The minutes of the December 6th, and 13th 2005 meetings were approved.

Liquor Licenses:

1. Copper Coin Liquor License Renewal
2. Pagosa Springs Rotary Club Special Event Liquor License
3. Pagosa Springs Community Center Special Event Liquor License –

Councilmember Cotton moved to approve the Copper Coin License renewal and both of the Special Event Licenses. Councilmember Whitbred seconded and with 6 ayes the motion carried.

Delegations:

1. Mary Jo – Chamber of Commerce – She has just gotten back from D'Iberville, Mississippi after going down there to help with some hurricane relief efforts. They are currently going through a lot of the same planning processes as we are. They are doing a Downtown Master Plan and are discussing big box stores. They are very grateful to our community for what we have done. She showed a quick slide show of what they saw down there and the devastation that still exist this many months after Katrina hit.

New Business:

1. Notice of Regular Meetings for Town Council and Pagosa Springs Sanitation General Improvement District (Ordinance No. 658) – Councilmember Simmons moved to approve the 1st reading of Ordinance No. 658. Councilmember Holt seconded and with 6 ayes the motion carried.
2. Design Review Board/Planning Commission Actions from December 20th Meeting.
   a. Aspen Village PUD, Phase IV Final Plan Review – The Planning Commission reviewed this and recommends approval with no conditions. Councilmember Holt moved to approve the Final Plan Review contingent on the Final Plat. Councilmember James seconded and with 6 ayes the motion carried.
   b. 14th Street Multi-Family Housing Project PUD Sketch Plan Review – The Planning Commission is in the process of reviewing this.
   c. Blue Sky Village Subdivision Sketch Plan Review – The Planning Commission has reviewed this even though it is in the County, it is in the planning area that that Comp Plan defines. We are in the process of signing an IGA with the

County for reviewing these projects. Staff would like the Council to review this at their Special Meeting on January 10, 2006.

d. Revisions to the Land-Use Code – The Planning Commission has reviewed this and recommends adopting Ordinance 660 (this is the next item on the agenda). This would just be in the interim until the Master Plan and Parking Study are done. Councilmember Whitbred has a problem with charging a fee in lieu of. The burden should be on the developer not on the town, and if the burden does fall to the town where do we put it? This will also be discussed at the January 10, 2006 Special Meeting.

3. First Reading of an Ordinance Amending the Land-Use Development Code Sections Pertaining to Parking in the D-2 District (Ordinance No. 660) – Will be discussed at the January 10, 2006 meeting.

4. First Reading of an Ordinance Designating Certain Property as a Local Historic Landmark (Ordinance No. 659) – This is for 2 buildings owned by John and Mina Stiner. One building was the old County Jail and the other the residence of a doctor. They are located at 380 Lewis Street. Councilmember James moved to approve the 1st reading of Ordinance 659. Councilmember Simmons seconded and with 6 ayes the motion carried.

Old Business:

1. Second Reading of Town Voting District Ordinance (Ordinance 654) – Councilmember Holt moved to approve the 2nd Reading of Ordinance 654. Councilmember Simmons seconded and with 6 ayes the motion carried.
2. Second Reading of Park & Rec Commission and Teen Advisory Board Formation Ordinance (Ordinance 655) – Councilmember Simmons moved to approve the 2nd Reading of Ordinance 655. Councilmember Whitbred seconded and with 6 ayes the motion carried.
3. Second Reading of Municipal Code Amendments (Ordinance 657) - Councilmember Whitbred moved to approve the 2nd Reading of Ordinance 657. Councilmember James seconded and with 6 ayes the motion carried.
4. Lodgers Tax Update – We need to meet with the Chamber of Commerce to discuss this. We will meet with them on January 10, 2006 at 12:00 p.m.
5. Business License Ordinance Review – Tabled until the Council Retreat.
6. CMAQ Project Update – CDOT is finalizing Phase II of Cemetery Road and Great West Avenue as we speak. We should have a January publication date and should go to bid in March. We did purchase a new Street Sweeper.
7. Enhancement Project Update – The Riverwalk should be finalized in the next couple of weeks and we should begin work in the spring.
8. Comprehensive Plan Update – The consultants will be here January 17th – 19th to meet with the public, Commissions, Boards, and Councils.
9. Downtown Master Plan Update – The consultants will be here February 1st – 3rd and would like to meet with the Public Officials on the 3rd.
10. Parelli Business Incentive Grant Update – We closed the incentive out on December 21, 2005 and all the documents were executed. Mark Wiler said thank you very much to the Council.

11. City of D'Iberville, Mississippi Relief Effort Update – Was covered by Mary Jo earlier.
12. 214 Pagosa Street Relocation (the old Rolling Pin Bakery) – We have finalized the language with Bootjack. The schedule to move this is around the same time frame as the Master Plan. The use of the house has a lot of options. We can discuss this at the Retreat. We need to decide where this house is best places so we only have to move it once. Mayor Aragon appointed Council members James and Holt along with Angela Atkinson to chair the committee to do a study on this and make some recommendations as to where the best placement is.

Department Head Reports:

1. Manager's Report – Our year end sales tax numbers finished very strong at 12.35% over last year. A lot of that stems from construction as well as tourism.

The story Colorado Christmas Gift and its copyright were given to the town. The donor does not want to be recognized.

Staff would like to schedule the Council Retreat for early February is possible. This was very beneficial for staff last year. We will see if Ken Charles from DOLA can facilitate it again. It has been suggested that maybe we have it during the week rather than on a weekend. We are looking at Monday February 6th or Saturday February 4th whatever works best for the Council.

2. Building/Planning Department Report – Last year was very busy for the Historic Preservation Board as well. The HPB would like the Council to consider Resolution 2005-01 putting a moratorium on demolition of buildings over 50 years old until a provision can be put in their language or the code. They have compiled a fairly comprehensive list of current buildings in town that are over 50 years old. The town also has a demolition permit which would allow for research. By consensus the Council said to draft the moratorium then they will have a public hearing on it.

Councilmember Whitbred moved to approve the bills. Councilmember Holt seconded and with 6 ayes the motion carried. On a motion duly made the meeting adjourned at 6:10 p.m.

Ross Aragón
MAYOR

Tuesday January 10, 2006

I. The Mayor called the Special Meeting of the Town Council/Pagosa Springs Sanitation District of the Incorporated Town of Pagosa Springs to order at 5:00 p.m. with the following answering roll call:

Mayor:	Ross Aragón
Council Members:	Cotton, Holt, Simmons and Whitbred

II. Blue Sky Village: The Planning Commission did review this but only 2 members were there so they asked the Town Council to review this. This is for property located just south of the County Rodeo Grounds; it sits on a 96 acre parcel. Steve Clay of Russell Engineering is working on the project and is going to give an overview before it is opened up for public comment.

Steve Clay – There will be 2 access points for safety purposes. There will be four different areas 1) 17 acres of commercial area, nothing over 14,000 square foot buildings; 2) on the South Side there will be 120 Multi-family dwelling units; 3) 67 Single Family Units and; 4) 25 acres of open space. There are plans for bike paths and trails. They are trying to be pedestrian friendly so people can walk to and from the commercial area and open space. There will be design guidelines in the covenance and irrigation will be provided to land owners. They believe these uses are compatible to that of the surrounding area uses. Commercial buildings will be limited to 2 stories maximum. They are still waiting on a water model to figure out impact. PAWS regulations say they either have to give up some water rights or pay a fee in lieu of, but they have to see the water model before that can be determined. The idea is to minimize impact on potable water. The access permits with CDOT are still up in the air but look favorable. They are still doing the study that shows how much of the open space is wetlands; this should be done in the spring.

The Mayor then opened up for public comment.

Kelly Fisher – is opposed because of the density of the project, it looks like a Fairfield project. She also doesn't think this is compatible with what is currently out there.

Kathy Fullmer – is opposed to the density of the commercial portion, and if we allow this what stops development from continuing further south?

Cappy White – stated that the purpose of the Comp Plan is to improve the County and when it is finished he believes it will require developers like this to let us know what the commercial area will look like. With this plan we don't know, it is open to just about anything.

Carl Valldejuli representing Prime Property Investments of Colorado and potential buyer Sam McRoberts – stated that these are densities below what is currently allowable and he believes that this gives it more of a rural feel. He stated that some of the proposed commercial uses were but not limited to general office, specialty retail, banks, fast food, and walk in restaurants. They have pretty strict design guidelines and these will go to their own design review board before it goes to the Town Council. He wanted to reiterate that they were not the builders; they are providing conditions for potential buyers/owners.

Judy Kramer – said she moved here to live in a rural area, why should we have a conglomerate like that in a rural area.

Tracy McCreed – said this is anything but small town and she is opposed to it.

Adrienne Haskamp – is concerned with the traffic, the density, the water, and the lighting. The quality of the night sky is really important.

Barry Quelas of Blue Lake Estates – lives on Hwy. 84 because it is not high density. If we allow this the commercial environment will only get worse.

Michael Whiting – goes by this area quite a bit, it has a rural feel now. It is close enough to town that it doesn't need any commercial development.

Allen Fulmer – agrees with everyone who has spoken tonight in opposition. He is also concerned with the impacts on law enforcement and fire services.

Mike Plumb – came to Pagosa from Gilbert, AZ which used to be a farming community, not anymore. There should be some buffering when it is next to 35 acre parcels. He is opposed to the sprawl and doesn't think it has a rural feel.

Windsor Chacey – has concerns with the streamed row of commercial so you can't see the open space anymore, and the trucks the commercial area will bring in for their deliveries. She is also concerned about the lighting.

Carl Valldejulie – said that their lighting restrictions are even more restrictive than the counties current regulations. They meet and exceed both the Town and the County regulations. He also stated that there are 10 surrounding property owners and he has talked to all but 2. Of those he talked to none of them had problems with the development.

Kelly Day – believes that a big part of Pagosa is the view. She chose to live on Hwy. 84 because it is not Fairfield. Water for people is another big concern.

Triva Weelis – is not thrilled with the project. The fact that they are asking for a zoning designation without the Comp Plan being completed is disturbing.

Jan Klinkenbeard – This project doesn't meet any of the criteria she has seen in the Comp Plan so far. She has seen a lot of CCNRs but there is no authority to enforce them. She does not think this is rural either.

Chris Patney – wants to know about snow removal, where would it go? He doesn't think this is rural either.

Carl – the CCNRs are recorded and will be enforced. The roads will be maintained by them.

Bob Owensby – does not think we need this.

Barbara Trass – There are too many unanswered questions. Water? Commercial makeup? Too compact, traffic problems, and lighting to name a few.

Carl – said that PAWS will extend the water to people and will accept them.

Tamra stated that there is pretty much 2 options. The Council can stick with their current regulations which allow one unit per 35 acres or they can wait until the Comp Plan is finished to see what it recommends.

Carl – stated that the Economic Impact Analysis is about to be done and it will take 6-8 weeks to complete.

Councilmember Whitbred – said that they need to look at the Economic Impact Analysis and need to have the Comp Plan finished first. The water issue also needs to be squared away. He thinks we should wait to see the results of these first.

Councilmember Holt – agrees with Councilmember Whitbred, there are too many loose ends. Councilmember Holt moved to table the sketch plan until the Comp Plan is finished and to allow the developers to tie up loose ends. Councilmember Cotton seconded and with 5 ayes the motion carried.

Tamra gave the Council the revised draft ordinance on the parking regulations as talked about earlier this afternoon. By consensus of the Council she is to bring it back to the next regular meeting as an emergency ordinance for D-2 District and prepare an additional ordinance for the D-1 District.

IV. Councilmember Simmons moved to adjourn the meeting. Councilmember Holt seconded and with 5 ayes the meeting adjourned at 7:05 p.m.

Ross Aragón
MAYOR

Tuesday January 10, 2006

I. The Mayor called the Special Meeting of the Town Council/Pagosa Springs Sanitation District of the Incorporated Town of Pagosa Springs to order at 12:00 p.m. with the following answering roll call:

Mayor:	Ross Aragón
Council Members:	Holt, Simmons and Whitbred

II. Lodger's Tax: Mark met with the Chamber to discuss their needs for funding. They are going to request full funding for 2006 (1.9% of Lodging Tax collections). They also discussed the Advisory Committee. We need to get this formed as soon as possible so they can begin making their recommendations to the Council to spend the revenues on marketing. The Chamber can then make their presentation to the Advisory Committee for their funding. The Chamber would like the Advisory Committee to meet with Linda Hill so they can see the Chamber's marketing plan, where they have been, and where they are going. By consensus the Council has no problem giving the 1.9% to the Chamber until everything gets figured out.

Our options are to put the additional 1.9% tax on this April's ballot or we can wait and put it on the November ballot in a Coordinated Election with the County. Waiting until the November Election would be what the staff recommends. This may go hand in hand with the sales tax question for the Recreation Center. The Recreation Survey will be going out in a week or so. The Council and the Chamber would like to see it on the April Ballot. Names recommended for the Advisory Committee will come before the Council at their February 7, 2006 Regular Meeting.

III. Parking in the D-2 District: Currently this district does not have any requirements. The Planning Commission recommends a $6280 in lieu of fee and they believe that this is the best recommendation so far. The Comp Plan and Traffic Study will let us know if this is a good policy or it will propose a revision to this.

Councilmember Whitbred thinks that charging a fee in lieu of puts the parking problem on the Town's shoulders and he doesn't think the Town should be in the parking business, it should be the responsibility of the developer. Tamra stated that the Master Plan should deal with Bill's concerns. Councilmember Holt thinks we should compromise by making them provide at least ½ of the spots that would be required then charge the fee in lieu of the other ½. Tamra said that there is currently a parking deficit but unless the Town does something it will never be made up. The Mayor stated that he is a strong advocate of Municipal Parking.

Any building that is over 4000 square feet will have to go through a conditional use permit. The D-1 District currently doesn't make developers put in any parking at all. The Council needs to do something in the D-1 and D-2 Districts to give Tamra some

“teeth” to work with. We need to do something soon; we have empty lots and don’t know what is planned for them.

The Council will think about this and give Tamra some direction tonight at the 5:00 p.m. meeting.

IV. Councilmember Cotton moved to adjourn the meeting. Councilmember Holt seconded and with 6 ayes the meeting adjourned at 1:18 p.m.

Ross Aragón
MAYOR

Town Council Workshop Minutes
Wednesday January 25, 2006

I. The Mayor called the workshop of the Incorporated Town of Pagosa Springs to order at 12:00 p.m. with the following answering roll call:

Mayor:	Ross Aragón
Council Members:	Cotton, Holt, and Simmons
Task Force Members:	Angela Atkinson, Kirsten Skeehan, Kathy Keyes, and Cappy White (anyone else?)
Staff:	Mark Garcia, Tamra Allen, Deanna Jaramillo

II. Discussion of Big Box Ordinance:

Kirsten Skeehan inquired if the Council would support size limitations in areas other than the downtown area.

Councilmember Cotton doesn't think that size limitation is the function of the Council. We can have attractive big buildings. He doesn't want to tell businesses how big they can be.

Councilmember Holt wouldn't have a problem with size if the buildings were located in areas where they are not obtrusive. Maybe we should designate areas; the Comp Plan may do this. Location is very important and goes hand in hand with scale.

Kirsten Skeehan of the Big Box Task Force stated that government does have a place in business decisions.

Councilmember Simmons stated that we currently limit all businesses and that we just need to expand this idea. A 250,000 square foot building is out of scale for our entire community no matter where it is.

Councilmember Cotton said that people in the community care how much things cost and by telling businesses they can't come in that might sell cheaper goods isn't fair. Big Boxes follow people the other way around. Denying the consumer isn't right.

Councilmember Simmons said that we already have low price stores like Alco, and stated large retailers are way out of scale for our community and they don't care about the rest of the community.

Cappy White of the Big Box Task Force said he looks at town as a finite resource and once it is used up it is used up. We need to make decisions based on what town will look like 50 years from now and we only have one chance. This is our opportunity to keep these stores out and be a different kind of town.

Angela Atkinson said that their original findings showed that we want discount retailers to come in just in a size that is comparable to the scale of the community. We can expand the size potential as we grow. We can always reexamine the issue in 5 years or whenever it is needed.

Councilmember Holt said that a lot of different businesses follow Wal Mart and you end up with a bunch of new businesses on the perimeter of Wal Mart and that makes an even bigger problem dealing with shopping centers.

Councilmember Cotton stated that people demand goods and the stores will come in to meet those demands as needed. He agrees that we cannot have them downtown.

Kirsten Skeehan said that they were talking about size as a component of design not limiting what businesses come in. She doesn't want to see Pagosa end up looking like Farmington.

Dave Alvord, Senior Planner from Archuleta County said that some communities are more foot print minded rather that square footage. This is an option for regulating that reduces visual impacts and scale problems.

Councilmember Holt said that we have to settle on an option and he only sees three options. 1) To bar national chains; 2) Let them come in and do whatever they want; and 3) Let them come in but put controls on them.

Angela Atkinson proposed that the council support the ordinance as written but with an understanding that the council would review the regulations in a pre-determined period of time. Angela stated that 3 years seemed reasonable. She also stated that some sort of performance criteria would need to be created that would be used to measure the success of the regulations. She also proposed that in the meantime, the council would demonstrate their investment in the downtown by helping facilitate a Downtown Business Association and other programs that support the downtown businesses.

Mayor Aragon agrees with Angela.

Kathy Keyes said that this would give us a chance to measure the things that we are worried about. Things like low income, the businesses themselves and the scale of things in town.

Angela Atkinson said that we need a mix of things to measure but we need time to look at it.

Cappy White thinks this is a good idea also, this is a huge process for 20 people to take on and this shows we are making some progress.

Councilmember Holt asked how we separate shopping centers without size limitations. Stuff can be designed so it looks good.

Tamra Allen thinks we can figure all of these things out with some more discussion; the BBTF needed to spend some time refining the multi-tenant components of the ordinance, as well as the design criteria. She stated that a time period of 5 years for reviewing the ordinance seemed adequate, as it would be simultaneous with a required update/review of the comprehensive plan. This coordinated review would also provide a forum for broad public review of the regulations.

Mark Garcia thinks that 5 years is too long. We have changed a lot in the past 5 years, maybe we should look at it again in 2 ½ years. We don't necessarily have to update it unless it is needed.

Angela Atkinson said we need to figure out how we are going to measure the performance criteria. It can be up for review every year if that is what is needed, but suggested that the regulations not "sunset."

Cappy White asks that the performance criteria not all be economic information, there is a lot more to it than that. Things like quality of life and the character of the community should also be included.

Councilmember Cotton stated that developers need more time to get something done; he likes the three year timeline. He also said that the downtown merchants need to get together and get organized or they won't get anywhere.

We will have another joint meeting sometime in March at which time the BBTF will return with a revised draft of the ordinance that contained more specific design criteria, provisions for regulating multi-tenant uses and performance criteria for measuring the success of the ordinance.

III. The meeting adjourned at 1:25 p.m.

Ross Aragón
MAYOR

Thursday January 26, 2006

I. The joint meeting of the Incorporated Town of Pagosa Springs and Archuleta County began at 6:00 p.m. with the following Council Members present:

Council Members: Cotton, Holt, and Simmons

II. Impact Fee Public Hearing: Andy Knudtsen of Economic Planning Systems gave a power point presentation of their findings.

There was some concern with timing and spending the money collected. What is a reasonable length of time? It is different for different impacts, some can be done in a much shorter amount of time than others.

There were also some concerns with the impacts on people with low incomes. There is a provision that allows the local government to exempt and waive the fees for affordable housing if it meets the local criteria. This criteria would be set by the local government also.

How often would the fees be reevaluated? You can do that as often as you want to but it is good to follow the Comp Plan cycle which is 5 years.

We are shooting for a March/April adoption if there aren't any major problems.

III. The meeting adjourned at 8:00 p.m.

Ross Aragón
MAYOR

Tuesday February 7, 2006

The Mayor called the regular meeting of the Town Council of the Incorporated Town of Pagosa Springs to order at 5:00 p.m. with the following answering roll call:

Mayor:	Ross Aragon
Council Members:	Cotton, Holt, Jackson, James, Simmons and Whitbred

The minutes of the December 30, 2005 and January 11th & 25th 2006 meetings were approved.

Liquor Licenses:

1. Silver Dollar Liquor License Renewal
2. Shang Hai Restaurant Liquor License Renewal
3. Dorothy's Restaurant Liquor License Renewal
4. Downside Moose Restaurant Liquor License Renewal – Councilmember James moved to approve the Liquor License renewals. Councilmember Whitbred seconded and with 7 ayes the motion carried.

Delegations:

1. Jim Willingham – In 2001 he was approved for a D-3 Conditional Use Permit for storage buildings on his property. He was given 3 that he believes he has worked out. This is located on Rob Snow Road. He would like the okay from the Town to get his building permits. He has already bought the buildings back when Chris Bentley was here and all of them are green which she agreed to. He didn't know that the Town was going to change its code and it took him a long time to get all of the easements he needed. He said that staff had told him that he needed to go back through the Conditional Use Permit since his first one didn't have a date on it. There are still 2 stipulations in that conditional approval have not been met, so staff recommends going back through the Planning Commission process. Councilmember Holt stated that since there are stipulations that are not completed he still needs to go through the Planning Commission and he needs to meet with staff and work out the stipulations with them and resolve the issues. Then he can go to the Planning Commission and they will make a recommendation to the Council. By consensus the Council agreed this was the best approach for this matter.

Police Chief Don Volger introduced April Hessman their new Administrative Assistant.

New Business:

1. Design Review Board/Planning Commission Actions from January 17th Meeting.
   a. Replat of Archuleta Property – This is Lots 18 and 19 of Block 37 on South 9th Street. This is in the B-1 Zoning District. Two homes currently straddle the property line and they want each home to be on separate lots. The Planning

Commission has reviewed this and recommends approval. There are not any access problems. Councilmember Whitbred moved to approve the Replat of Block 37 Lots 18 and 19. Councilmember Holt seconded and with 7 ayes the motion carried.

b. Highland Springs Subdivision Sketch Plan Review – This sits on approximately 32 acres and they want to split them into 39 residential lots. These lots would range in size from .25 acre to 1 acre. The Planning Commission has reviewed the sketch plan and asked the applicant to proceed to preliminary plan with some contingencies. Tamra has received many letters of concern with regards to access to the Alpha Subdivision. They will be filing a petition for annexation with the final plat and this will not be reviewed by the County. There were 20 plus Alpha residents present in opposition to any road going through the subdivision.

Nick Abraham asked if the Council would be taking comments from anyone in regards to this project. Mayor Aragon said he would take a few if they limited themselves to a couple of minutes each.

Patsy Linblad, President of the Alpha Association stated that a survey they completed concluded that no new access roads could be supported into or out of the Alpha Subdivision. They maintain their own roads and are currently under the Counties jurisdiction. They believe that this kind of traffic would render the roads unserviceable.

Phil Pionke said that he sees migratory elk, cougars, and coyotes and this is a little ways from Highway 160. He is concerned about the environment and would like to see it preserved and to keep Alpha pristine.

Bev Worburton said that this road alignment will affect their residence but won't affect the new development.

Jean Pionke said that most people in the Alpha Subdivision bought property in 5-10 acre parcels and that is what they want to look out their window and see, not cluster living.

Tamra Allen stated that this alignment would be their secondary choice if their first choice doesn't work out.

c. Rock Ridge Homes PUD Sketch Plan Review – The Planning Commission has reviewed this. This property is located at 72 Great West Avenue. This is an 11 acre parcel that they want to divide into 108 lots. The Planning Commission has asked the applicant to look at a number of issues and recommended proceeding to preliminary after those concerns are looked at. Todd Shelton is the owner of the property which is currently a mobile home park. They already have central water and sewer. From the beginning they wanted this to be an affordable housing project, but they also want it to be a diverse community so some houses would need to be sold for a profit. Presently this is located in the County and they have no problems with annexation. They want to look at using subsidies. The front yards in the development would be maintained by the home owner's association. The

back yards will be maintained by the owners. He would like to do a workshop on this. This project is an opportunity to create a model and maybe a housing authority. This would be a 3 phase project that would take 3-5 years.

2. First Reading of an Ordinance Amending the Land-Use Development Code Sections Pertaining to Parking in the D-2 District (Ordinance No. 660) – Tabled until 2/15/06 12:00 p.m. Special Meeting.

3. First Reading of an Ordinance Amending the Land-Use Development Code Sections Pertaining to Parking in the D-1 District (Ordinance No. 661) – Tabled until 2/15/06 12:00 p.m. Special Meeting.

4. First Reading of an Ordinance Establishing Impact Fees (Ordinance No. 662) – Staff recommends tabling this until the Council's next regular meeting. The County has a couple of concerns and we want to adopt this concurrently. Also the Fire District won't make a decision until 2/14/06 if they want to participate. After that we can have a joint workshop with the County so we are all on the same page.

5. Teen Center Advisory Board Appointment Resolution (Resolution No. 2006-02) – Councilmember Cotton moved to approve Resolution 2006-02. Councilmember Whitbred seconded and with 7 ayes the motion carried.

6. National Incident Management System (NIMS) Resolution (Resolution No. 2006-03) – Councilmember Jackson moved to approve Resolution 2006-03. Councilmember Simmons seconded and with 7 ayes the motion carried.

7. Parks and Recreation Commission Appointment Resolution (Resolution No. 2006-04) – Councilmember James moved to approve Resolution 2006-04. Councilmember Whitbred seconded and with 7 ayes the motion carried.

8. Tourism Committee Appointment Resolution (Resolution No. 2006-05) – Councilmember Holt moved to approve Resolution 2006-05. Councilmember James seconded and with 7 ayes the motion carried.

9. Historic Preservation Board Member Appointment Resolution (Resolution No. 2006-07) – Councilmember Cotton moved to approve Resolution 2006-07. Councilmember Simmons seconded and with 7 ayes the motion carried.

10. Historic Preservation Board Member Appointment Resolution (Resolution No. 2006-08) – Councilmember James moved to approve Resolution 2006-08. Councilmember Holt seconded and with 7 ayes the motion carried.

11. Municipal Election Resolution (Resolution No. 2006-09) – Councilmember Jackson moved to approve Resolution 2006-09. Councilmember Cotton seconded and with 7 ayes the motion carried.

12. Lodger's Tax Ballot Question Ordinance (Ordinance No. 663) – Councilmember Simmons moved to approve Emergency Ordinance 663. Councilmember Jackson seconded and with 7 ayes the motion carried.

13. Chamber of Commerce Funding Request – The Chamber is requesting their full 1.9%. They would like the town to commit funding for all of 2006. Councilmember Cotton moved to give them 1.9% to follow our ordinance for 2006. Councilmember Whitbred seconded and with 7 ayes the motion carried.

14. Disclosure of Potential Conflict of Interest Statement – Copy of letter in packet and was sent to the state.

Old Business:

1. Second Reading of Town Council and Pagosa Springs Sanitation General Improvement District Regular Meeting Schedule and Locations Ordinance (Ordinance 658) – Councilmember Cotton moved to approve the 2nd reading of Ordinance 658. Councilmember James seconded and with 6 ayes the motion carried. (Councilmember Jackson had to leave early)
2. Second Reading of an Ordinance Designating Certain Property as a Local Historic Landmark (Ordinance 659) – This item was acted upon before item No. 1 since Councilmember Jackson had to leave early. Councilmember Jackson stated that the old jail was definitely a historic landmark, but he isn't sure about the house itself. We need to be very careful with the criteria. We need to have a joint meeting with the Historic Preservation Board to go over the criteria. Councilmember Jackson left at 6:15 p.m. Councilmember Holt moved to approve the 2nd reading of Ordinance 659. Councilmember Simmons seconded and with 6 ayes the motion carried.
3. CMAQ Project Update – covered at the retreat.
4. Enhancement Project Update – covered at the retreat.
5. River Restoration Project Update - covered at the retreat.
6. Comprehensive Plan Update – covered at the retreat.
7. Downtown Master Plan Update – covered at the retreat.
8. Alley House Dedication Update (the old Rolling Pin Bakery) – covered at the retreat.

Department Head Reports:

1. Manager's Report – January sales tax receipts were up for November collections.
2. Building/Planning Department Report – covered at the retreat.
3. Park and Recreation Department Report – covered at the retreat.
4. Police Department Report – covered at the retreat.
5. Municipal Court Report - covered at the retreat.

Councilmember Holt moved to approve the bills. Councilmember James seconded and with 6 ayes the motion carried. On a motion duly made the meeting adjourned at 6:29 p.m.

Ross Aragón
MAYOR

Wednesday February 15, 2006

I. The Mayor called the Special Meeting of the Town Council of the Incorporated Town of Pagosa Springs to order at 12:00 p.m. with the following answering roll call:

Mayor:	Ross Aragón
Council Members:	Cotton, Holt, Jackson, James, Simmons and Whitbred

Pastor Don Ford came in to address his concerns with drug use in the community and would like to be on the next regular meeting agenda to do so. He will also be talking to the County. He thinks that Town and the County as an example to others should consider adopting a random testing policy for all employees.

II. First Reading of an Emergency Ordinance Amending the Land-Use Development Code Sections Pertaining to Parking in the D-2 Zoning District (Ordinance No. 660): Tamra gave a brief timeline and went through previous discussions that have been held on this subject to date. Our consultants wanted to make sure that we are not out in front of the Comp Plan and this current Ordinance is consistent with their comments so far. She also stated that the numbers that are coming back from the transportation/traffic study are going to be flooring. Susan Winter Ward's project is going to end up with a parking lot between two buildings. Is this what we want in the downtown area, this is a big piece in the decisions that have to make.

Councilmember Cotton asked do we want parking to limit development or do we want to increase parking for more commercial space? Then how do we get there? He thinks that to be realistic the Town will have to help provide parking.

Councilmember Jackson doesn't want to see a bunch of parking lots through the downtown area. We need to look into leveled and enclosed lots.

Mayor Aragon said that we currently have a problem during the tourist season and during any kind of event or activity. If people can't park, they can't get out and walk and spend money. The Town is going to have to get involved.

Councilmember Holt said that we have a problem but we also need to do some educational things to get people parking in the lots we have that are not currently being used, like the Seeds of Learning Lot. With future development we are going to have a real big problem. People don't seem to want to walk and employees are taking up a lot of the current spaces.

Councilmember Whitbred said that with the main highway going through downtown this will never be a walking community. He thinks there is a problem, primarily at lunch time. What it comes down to is that we are supposed to be looking at individual businesses that are small, not an 8500 square foot building we blew it on that. Small

buildings don't need that much parking. If we follow the guidelines there is no problem. He doesn't agree with a fee in lieu of at all. The Town already supplies parking that no one uses, we need to put up signs to help that out but currently they are not being utilized. A fee in lieu of puts the Town in the parking business and that is not our job.

Councilmember James had to leave early.

Councilmember Simmons said that we do have a problem now and it is only going to get worse and there is physically no place to put parking.

Councilmember Jackson said again like Darrel said, do we want to be in the parking business?

Councilmember Whitbred said that developers can handle their own problem, if we accept a fee in lieu of we will just compound our problem. We are going to need to build more municipal lots in the future.

Dan Sarhad of Bootjack Management said that developers can build structures within the existing code; buildings can be designed around the codes. If a fee in lieu isn't going to do something right away, when will we get something for the fee? He would prefer to see the developer be responsible for their own parking.

John Hundley of Bootjack Management said that the developer is not going to be successful if their tenants are not successful. If we make a place a hot spot or a "destination" then people will go no matter how far they have to walk. Current business owners also need to contribute.

Councilmember Holt said that we are never going to be able to build a lot with just a fee in lieu of; we would have to get others involved like a Merchant's Association.

Councilmember Cotton said that the downtown is going to have to become unique and have a draw and if the Town is going to get into the parking business we are going to need some kind of an improvement district. Again do we want parking to limit downtown development?

Tamra said the 2 big questions are what do you want the downtown to look like, and is it desirable?

Mayor Aragon asked Mark to look into what it would take to put together an improvement district and to see what 250 parking meters could generate with different price options. He also wanted him to find out how many current spots there are.

By consensus the Council decided it would be best to get rid of the fee in lieu of, but that they needed to institute parking regulations that are the same everywhere in the interim until the Downtown Master Plan, the Comp Plan, and the Transportation/Traffic studies are done.

Councilmember Simmons moved to adopt the 1st reading of Ordinance 660 adopting parking regulations without the fee in lieu of option until the Downtown Master Plan and Comp Plan are in place. Councilmember Whitbred seconded and with 6 ayes the motion carried

III. First Reading of an Emergency Ordinance Amending the Land-Use Development Code Sections Pertaining to Parking in the D-1 Zoning District (Ordinance No. 661): Councilmember Whitbred moved to adopt the 1st reading of Ordinance 661 to add parking regulations as described and to eliminate the in lieu of fees. Councilmember Simmons seconded and with 6 ayes the motion carried.

IV. Councilmember Cotton moved to adjourn the meeting. Councilmember Whitbred seconded and with 7 ayes the meeting adjourned at 1:50 p.m.

Ross Aragón
MAYOR

Tuesday March 7, 2006

The Mayor called the regular meeting of the Town Council of the Incorporated Town of Pagosa Springs to order at 5:00 p.m. with the following answering roll call:

Mayor:	Ross Aragon
Council Members:	Cotton, Holt, Jackson, James, Simmons and Whitbred

The minutes of the January 25th, 26th & February 7th & 15th 2006 meetings were approved.

Liquor Licenses:

1. Pagosa Lodge Liquor License Renewal
2. Farrago Market Cafe Liquor License Renewal
3. Tequila's Restaurant Liquor License Renewal - Councilmember Whitbred moved to approve the Liquor License renewals. Councilmember Holt seconded and with 7 ayes the motion carried.
4. Seeds of Learning Special Events Liquor License
5. Public Facilities Coalition Special Events Liquor License – Councilmember James moved to approve the Special Events Liquor Licenses. Councilmember Whitbred seconded and with 7 ayes the motion carried.

Delegations:

1. Pastor Don Ford – He came in front of the Town Council with concern with the growing drug problem in Town of Pagosa Springs and Archuleta County. He stated that last year 23% of the total Municipal Court cases were drug related cases and this was an increase from 14% in 2004. Drugs and drug related cases are a primary concern within the Town and County. He is asking that the Town institute a drug testing policy where all employees get randomly tested, and all new hires are automatically tested. He would like to know if this is something the Council is interested in starting. Currently all DOT employees and safety sensitive employees are randomly tested. Anyone else can be tested if there is reasonable cause. Right now there isn't a place locally that conducts these tests; currently we contract with a firm in Durango. Pastor Ford believes that if the Town and County are concerned with the drug problem then they should institute this policy and lead by example. Councilmember Holt asked about costs, each test is approximately $65.00 per person. Councilmember Whitbred thinks that it is a good idea to test before employment, and we already have a provision for reasonable suspicion. Councilmember Cotton thinks it is discriminatory to pick out a group of people to test, so we should randomly test all or none. He would support random tests. Councilmember Simmons is concerned with the invasion of privacy and that it is challengeable, he also stated that this is not a solution to the problem. Pastor Ford stated that he knows this is not a solution, but leading by example. He also stated that drugs are illegal no matter where you do them. Mayor Aragon supports the concept, but stated we would have to get a legal opinion from our attorney. Councilmember James agreed with

Mayor Aragon. Pastor Ford stated that there is an effort being made to open up an office here in Pagosa to do testing on a 6 month probationary period. The County is currently going through the same process. Bill Hudson stated that the 4th Amendment of the Constitution says that you have to have good reason to do search and seizure, and that this would be an invasion of privacy. He has never seen a town employee who doesn't do a good job, he would like to see employees volunteer to be tested not be forced.

New Business:

1. Design Review Board/Planning Commission Actions from January 21st Meeting.
   a. Willingham Mini-Storage Conditional Use Permit – The Planning Commission has asked that he submits the conditions of his previous Conditional Use Permit. He will be in front of the Planning Commission at their upcoming meeting.
   b. McInnis Minor Impact Subdivision and Zoning Request – This has been continued until the zoning is done.
2. Memorandum of Understanding with San Juan Basin Health Department – They want to use the Community Center for emergency purposes if something major were to happen. The Town would get first priority of using the space. This will be forwarded to Bob Cole's Office. Councilmember Holt wants the County's portion of the building spelled out in the MOU so their portion cannot be taken control of, Mark will add this language.
3. Inter-Governmental Agreement (IGA) with Archuleta County – Staff has serious concerns with this IGA, especially the 1% Treasurer Fee Service Charge, plus the date we should receive our money. By consensus the Council has the same concerns.
4. First Reading of an Ordinance Establishing Business Licensing (Ordinance No. 648) – Should the contractor's stuff be taken out or left in is one of the questions we need to answer. We also need to define wholesaler better so there is a definite line. We should make the time for transferability 30 days to match everything else in the ordinance. Mayor Aragon opened this item up for pubic input.

John Hostetter, President of Archuleta County Economic Development Association stated that he was in favor of the Ordinance. This will help us obtain lots of different information. This is a tool that will help their efforts.

Tim Horning also of ACEDA agrees with John. As a member of the Builder's Association he would like to see a Worker's Compensation Certificate added to the General Liability requirement.

Bart Mitchell of ACEDA also agrees. This will benefit public safety, Planning & Zoning. This will also help ACEDA help local businesses that are just starting up or beginning to go out of business.

Warren Grahams, Fire Chief is in support of the ordinance. This will help with public safety and Fire Department safety.

LeAnn Gobel said that the Town needs to take the lead and be a model for the County. She thinks we should keep the Contractor's Work Permit and add the Worker's Compensation Certificate Requirement for the safety of the consumers.

Councilmember Holt moved to approve the 1st Reading of Ordinance 648 with the changes discussed and to add the Worker's Compensation Certificate requirement to the Contractor's Work Permit and to keep it in at this time. Councilmember Whitbred seconded and with 7 ayes the motion carried.

5. 10th Street Right of Way Quitclaim Authorization Request – We will deed back the right of way that was vacated back in 1955 so if it is feasible it can be used as access to Trujillo Heights. We need permission for the Mayor to sign the deeds. Councilmember Whitbred moved to approve all the quit claim deeds by LPEA and Diane Barnett. Councilmember Simmons seconded and with 7 ayes the motion carried.
6. First Reading of a Town Ordinance Vacating the Villas at Pagosa Lodge, Phase One Planned Unit Development Plat Numbers 714, 714A, 714B (Ordinance No. 664) – Councilmember Whitbred moved to approve the 1st Reading of Ordinance 664 and to approve the authorization to record the plats. Councilmember Holt seconded and with 7 ayes the motion carried.
7. Liquor Tasting Resolution (Resolution No. 2006-10) – Councilmember Holt moved to approve Resolution 2006-10. Councilmember Simmons seconded and with 7 ayes the motion carried.

Old Business:

1. Second Reading of Parking Ordinance Amending the Land-Use Development Code Sections Pertaining to Parking in the D-2 District Ordinance (Ordinance 660) – Councilmember Simmons moved to approve the 2nd Reading of Ordinance No. 660. Councilmember James seconded and with 7 ayes the motion carried.
2. Second Reading of Parking Ordinance Amending the Land-Use Development Code Sections Pertaining to Parking in the D-1 District Ordinance (Ordinance 661) – Councilmember James moved to approve the 2nd Reading of Ordinance No. 661. Councilmember Whitbred seconded and with 7 ayes the motion carried.
3. Second Reading of the Cemetery Road Annexation (Ordinance No. 649)
4. Second Reading of the Eaton Drive Annexation (Ordinance No. 650)
5. Second Reading of the Talisman Drive Annexation (Ordinance No. 651)
6. Second Reading of the Village Drive Annexation (Ordinance No. 652) – Councilmember Whitbred moved to approve the 2nd Readings of Ordinances 649, 650, 651, and 652. Councilmember Jackson seconded and with 7 ayes the motion carried.
7. CMAQ Project Update – No major changes, we hope to go to bid this month.
8. Enhancement Project Update – No major changes, we hope to go to bid this month.

9. River Restoration Project Update – We still haven't heard anything from the Army Corps of Engineers. We are going to enlist State support; we don't want this to continue to drag on.
10. Comprehensive Plan Update – We are going to have some huge issues to deal with in the future especially with transportation infrastructure.
11. Downtown Master Plan Update – We are looking at delivery of the draft plan in late March. There will be meetings to follow.

Department Head Reports:

1. Manager's Report – By consensus of the Council our next regular meeting will be moved to April 5, 2006 due to the Election being held on April 4, 2006.

Councilmember Whitbred moved to approve the bills. Councilmember James seconded and with 7 ayes the motion carried. On a motion duly made the meeting adjourned at 6:55 p.m.

Ross Aragón
MAYOR

Wednesday March 8, 2006

I. The Mayor called the Special Meeting of the Town Council of the Incorporated Town of Pagosa Springs to order at 12:00 p.m. with the following answering roll call:

Mayor:	Ross Aragón
Council Members:	Cotton, Holt, Jackson, Simmons and Whitbred

II. Discussion on Big Box/Large Retailer Regulations: Kirsten Skeehan gave a recap of the January 25, 2006 meeting. She said that they believed the BBTF was directed to add a 3 year sunset to the original ordinance they had come up with. The size caps were fine in the downtown area, but they wanted to know what size caps the Council was comfortable with outside the downtown area.

Councilmember Cotton has problems with size caps in general, he thinks we can have caps that trigger an Environmental Impact Report (EIR) but size caps themselves don't do anything.

Tamra stated that if a business comes in that has demonstrated a negative overall impact then they can look at size by using the EIR.

Angela Atkinson said that impact fees are going to take care of the infrastructure, but nothing there limits size.

Councilmember Whitbred isn't in favor of size caps either. If we limit size we are being selective on who is competed against and that is not fair.

Councilmember Holt is not in favor of size caps as far as a square footage limitation. He thinks we need to set parameters and use the size of the parcel of land to limit the size along with design guidelines and impacts, we can also use the footprint of a building as a limit to size.

Councilmember Simmons thought that the Council had come to an agreement at the last meeting that would use 3 years to see how the ordinance in its current form would work and to support the downtown businesses. Then we can look at it again in later years. Large scale buildings do not fit into our community, which is current Pagosa Springs.

Councilmember Jackson has been to a lot of different areas of the country and has looked at these things wherever he goes. He would not be in favor of a size cap any longer. Size caps allow a Borders but not a Wal Mart, how different would that really make us as a community? He talked to locals in Hawaii while he was there recently and they along with the business owners hadn't really been affected by Wal Mart coming in. Some of the true locals there said they "needed" Wal Mart. We can use impact fees and design criteria to make sure they fit into wherever they go. We need to take the old downtown area and make it unique and quaint without any franchises. He would support a 3 year

moratorium to let our infrastructure catch up and to work on getting a stronger downtown. We are already seeing more specialized stores in the downtown area.

Councilmember Holt is opposed to Strip Malls vs. a single store, these are 2 different scenarios. He thinks the Comp Plan will define areas that are good for larger buildings and other areas that are more restrictive.

Mayor Aragon has never had a strong opinion one way or the other with regards to big box retailers and when you ask the constituents they don't seem to care so they don't really help make up your mind. He still doesn't have any strong feelings one way or the other but believes that big box retailers can be controlled with design criteria.

Kirsten Skeehan said after listening to all the Council Members that still doesn't give the BBTF a clear direction to go. Originally they were going to go with size caps for 3 years and use the numbers in the original ordinance.

Councilmember Whitbred restated that size caps cause competition to only certain businesses.

Councilmember Simmons stated that a super sized store can put many people out of business by predatory pricing that smaller businesses can't do.

Mayor Aragon stated that in Durango Wal Mart didn't hurt the Mom & Pop Stores like people thought it would and it actually helped Kroger's.

Councilmember Simmons said that we are not Durango and we do not have the same kind of economy or infrastructure. If we look at Salida they still have a lot of vacant store fronts in their downtown area due to Wal Mart.

Angela Atkinson said lets have criteria in place so we can take a second look at something rather than just opening up the doors and letting anyone come in no matter what. There has to be a middle of the road way no matter how it is done. Whether it is by footprint or design criteria, but we need to know what that way is.

Councilmember Cotton said that we cannot dictate who comes to town and who doesn't and that is what we will do with a size cap.

Angela Atkinson said that big boxes are morphing to meet local criteria and are still coming into towns. If size caps are not the answer do we look at impacts?

Councilmember Holt said that we need to have enough controls so they aren't just running out of control, but he isn't sure size is the way to do that.

Councilmember Whitbred thinks that the footprint idea has merit to it, but then you have to consider people with large amounts of land. There is always a way around a regulation if you look at it long enough. We have got to come up with guidelines saying that they

have to build a nice attractive buildings, that there won't be any large empty buildings left and we need to coordinate with the County.

Angela Atkinson said that the Town needs to take the leadership role; she thinks the County is waiting to see what the Town does. The Council doesn't want to be put in a position to have to make subjective and case by case decisions. We have some latitude on how detailed we look at impacts. The Town of Pagosa Springs already has Conditional Use Review Criteria and Annexation Requirements and some of them are pretty stringent. So the BBTF needs to outline what they think the Council and Planning Commission needs to look at when they are faced with looking at these submittals.

Kirsten Skeehan said so they need to give the Council tools they can look at.

Tamra said that the Comp Plan talks about a healthy downtown and not wanting to be "Everywhere USA" she thinks we are on the right track if we have tools to look at and have some sort of control.

Councilmember Cotton said there are certain things that everyone does, like eating and shopping for example. We can be exclusive but we will have to pay to do that. When you restrict things price goes up, we need to keep that in mind. When you limit choice the price goes up. We are past size, now we are down to controls and criteria.

Tamra said there is a 500,000 square foot multi-tenant just waiting for June 16th to come.

Councilmember Jackson asked Councilmember Whitbred if he would be willing to look at requirements that limit size depending on what criteria they come up with and depending on the overall impact to the community. Councilmember Whitbred said that would be fine.

Kirsten Skeehan said that someplace outside of downtown there has to be a scale limit otherwise we are contradicting ourselves with size caps downtown.

John Hunley asked if they couldn't use overlays or land use zones and then prioritize things important to you.

Kirsten Skeehan said the BBTF needs to move forward getting on impact assessment and design criteria and come back with something, it will probably have some size restrictions in it that the Council can take out if they want to.

Angela Atkinson said that they will move forward with using the Conditional Use Permit Criteria and the EIR is important. The building type, style and scale should all be part of the assessment. Then the Planning Commission and Town Council can make a decision based on an array of the criteria.

Mark said that we could confine the downtown area to the D-1 and D-2 Districts and outside of that the 20,000 square foot kicks in the Conditional Use Permit Criteria. We also need to add the multi-tenant portion to look at the big picture.

Councilmember Whitbred left at 1:30 p.m.

Angela asked the Council Members individually if they were on board.

Councilmember Cotton said he was mostly on board.

Councilmember Jackson said he was on board and if we are going to do it we need to enforce it.

Mayor Aragon said he is okay with it.

Council Members Simmons and Holt both said yes they are on board.

Tamra said to make sure it is enforceable. She had the Council look at some pictures she handed out and said some criteria to look at is; streetscape, setbacks, parking distribution, pedestrian environment, landscaping (how, where and maintenance), buffering, bulk, scale, architectural elements, and height just to name a few.

Councilmember Holt said he doesn't want to see stacking out where there is room to build. Councilmember Jackson agreed.

Tamra said that we want to create varieties to promote pedestrian use and one stop shopping.

Angela Atkinson again said we need to send a message to the small business community that we need them, and we need to help them. That goes along with parking structures and capital improvements recommended by the Comp Plan and Downtown Master Plan. So she recommends starting a business improvement district, a downtown development authority or a combination of the two. The Town needs to look at this and take a lead role in at least getting the ball rolling. She thinks this is urgent and wants to send out a message now. We need a committee or something to look at these models and the Town needs to consider some funding. Would the Council want to pursue this? She guesses the Town would need to give about $5,000.00 to get preliminary consulting and legal information.

The Council agreed this was something they would be willing to do.

Mark asked how we take it to the next level. Do we pay Angela to do it for us, to do the feasibility study?

Mayor Aragon said to pay Angela to do it, she will do more research and give a proposal.

III. First Reading of an Ordinance Vacating the West Half of 2nd Street (Ordinance No. 665): In 1993 the Council considered vacations of the West half of 2nd Street. They executed two Quit Claim Deeds but never passed an ordinance to honor the Quit Claim Deeds. This is part of the County land acquisition process. Mayor Aragon abstained from the conversation due to a conflict of interest. Councilmember Jackson moved to approve the 1st Reading of Ordinance 665. Councilmember Holt seconded and with 4 ayes the motion carried.

IV. Councilmember Cotton moved to adjourn the meeting. Councilmember Jackson seconded and with 6 ayes the meeting adjourned at 1:55 p.m.

Ross Aragón
MAYOR

Wednesday April 5, 2006

The Mayor called the regular meeting of the Town Council of the Incorporated Town of Pagosa Springs to order at 5:00 p.m. with the following answering roll call:

Mayor:	Ross Aragon
Council Members:	Cotton, Holt, Jackson, James, Simmons and Whitbred

The minutes of the March 7th & 8th 2006 meetings were approved.

Liquor Licenses:

1. Best Western Oak Ridge Liquor License Renewal – Tabled until April 12, 2006 meeting.
2. Pagosa Springs Arts Council Special Events Liquor License - Councilmember Whitbred moved to approve the Special Events Liquor License. Councilmember James seconded and with 7 ayes the motion carried.

Delegations: None

New Business:

1. Swearing in of Mayor and Council Members – Mayor Aragon and Councilmember Cotton were sworn in earlier today. The appointment of the District 2 Councilmember will take place at the April 12, 2006 meeting.
2. Selection of Mayor Pro Tem – Councilmember Cotton nominated Councilmember Whitbred. Councilmember Holt seconded and with 7 ayes the motion carried.
3. Design Review Board/Planning Commission Actions from March 14th Meeting.
   a. Parelli Corporate Headquarters Height Variance Request – This is for 115 Aspen Village Drive. They want to go over the 35' limit up to 38' but only on a portion of the building. The reason for their request is because of the volume of their building, it is around 35,000 square feet. Council members Whitbred and Simmons have a problem with setting a precedent, they think we need to stick to the current rule now or change the ordinance itself. Councilmember Cotton wants to see the calculations to show at what point they can come into compliance without having a problem with the snow and he also agrees with Council members Simmons and Whitbred. Councilmember Whitbred moved to deny the request for the 38' variance. Councilmember Cotton seconded and with 7 ayes the motion carried.
   b. Willingham Mini-Storage Conditional Use Permit Request – The Planning Commission has met with this applicant several times and has worked through several of the details. They recommend approval pending a revised landscape plan and him working with one adjacent property owner on a fencing issue. Councilmember Cotton moved to approve the Conditional Use Permit contingent on the landscaping and fence issues being resolved. Councilmember Holt seconded and with 7 ayes the motion carried.

4. Joint-Use Facility and Maintenance Agreement between the Town and Archuleta School District 50 (Resolution 2006-06) – The Parks and Recreation Commission have reviewed this and recommend approval. Councilmember Holt moved to approve Resolution 2006-06. Councilmember Whitbred seconded and with 7 ayes the motion carried.
5. Teen Center Advisory Board Appointments (Resolution 2006-11) – This is to appoint 3 people to the board. They are Isabel Webster, Kerry Toath, and Lisa Caitlin. Councilmember Cotton moved to approve Resolution 2006-11. Councilmember James seconded and with 7 ayes the motion carried.
6. Emergency Ordinance Temporarily Suspending the Demolition of Historic Buildings (Ordinance No. 666) – David Smith of Bootjack Management said that they have concerns with this ordinance with regards to property owners' rights and would like to see us come up with a solution that is fair to both Historic Preservation and the property owners. Susan Ward of the Historic Preservation Board is concerned that we have already lost a bunch of commercial buildings in the downtown area, and now there are just blank spaces with nothing going on. This doesn't look like a thriving community. Councilmember Cotton moved to approve Emergency Ordinance 666 with a word change in section 3 from recommendation to something that clearly states the Town Council has the final say. Councilmember Whitbred seconded and with 7 ayes the motion carried.
7. Downtown Development Authority Proposal – Should we do a test with the property and business owners to see if this is feasible? Councilmember James thinks this is a positive step forward and that this is a worthwhile study. Mayor Aragon and Councilmember Simmons agree. Councilmember Cotton moved to move forward on the downtown feasibility study. Councilmember Simmons seconded and with 7 ayes the motion carried.
8. Community Development Block Grant Public Hearing – This is for a $500,000 grant for Seeds of Learning. When opened to the public there was no public comment.
9. Jim Smith Trash Enclosure Discussion – The proposed location is actually in the County so this will be taken to them.

Old Business:

1. Second Reading of the Business Licensing Ordinance (Ordinance 648) – Tabled until the April 12, 2006 meeting.
2. Second Reading of a Town Ordinance Vacating the Villas at Pagosa Lodge, Phase One Planned Unit Development Plat Numbers 714, 714A, and 714B (Ordinance 664) – Councilmember Holt moved to approve the 2nd Reading of Ordinance 664. Councilmember James seconded and with 7 ayes the motion carried.
3. Second Reading of the South 2nd Street Vacation Ordinance (Ordinance No. 665) – Mayor Aragon did not participate in this discussion due to a conflict of interest. Councilmember James moved to approve the 2nd Reading of Ordinance 665. Councilmember Simmons seconded and with 6 ayes the motion carried, with Mayor Aragon abstaining from the vote.

4. Memorandum of Understanding between the Town and San Juan Basin Health – Councilmember Cotton moved to approve the MOU. Councilmember Jackson seconded and with 7 ayes the motion carried.
5. Inter-Governmental Agreement (IGA) with Archuleta County – Councilmember Holt moved to approve the IGA. Councilmember Simmons seconded and with 7 ayes the motion carried.
6. CMAQ Project Update – Julie and Mark are meeting with the State on this tomorrow. Right now this is in their court.
7. Enhancement Project Update – Julie and Mark are meeting with the State on this tomorrow. Right now this is in their court.
8. River Restoration Project Update – The U.S. Army Corps of Engineers is nearing completion on their Environmental Impact Report.
9. Comprehensive Plan Update – Clarion and Associates will be here April 19, 2006 to present the draft plan and have an open house. On April 20, 2006 they will host a joint study session with the Planning Commission. We are looking at adoption at the May 2, 2006 regular meeting.
10. Downtown Master Plan Update – Winter and Company should have us a first draft next week sometime. Then we will take public comment for around 3 weeks or so. They will be back on May 9th and 10th, 2006.
11. Impact Fee Update – The Fire District is now on board as well as the school district and San Juan Water Conservancy District. The County is still not making any headway. We need to proceed and push forward. This will also be discussed at the April 12, 2006 meeting.

Department Head Reports:

1. Manager's Report:
   a. Sales tax is up again.
   b. Drug Testing – Our attorney concurs that our current policy is in tact and does not recommend randomly testing all employees. He said that we can add pre-employment testing if we want to. Councilmember James thinks we should add pre-employment testing. Councilmember Simmons disagrees with random testing; he doesn't think it will solve any problems. This will be discussed more at the April 12, 2006 meeting.
   c. Geothermal Bonus – Mark would like to give Phil Starks at $500 bonus for innovative thinking. To date his innovative thinking has saved the Geothermal Department $4800.00. By consensus the Council agreed to the bonus.

Councilmember Whitbred moved to approve the bills. Councilmember Cotton seconded and with 7 ayes the motion carried. On a motion duly made the meeting adjourned at 7:10 p.m.

Ross Aragón
MAYOR

Wednesday April 12, 2006

I. The Mayor called the Special Meeting of the Town Council of the Incorporated Town of Pagosa Springs to order at 12:00 p.m. with the following answering roll call:

Mayor:	Ross Aragón
Council Members:	Cotton, Holt, James, and Whitbred

II. Appointment of Council Member from District 2: The Council received two letters of interest, one from John Steinart and one from Judy James.

John Steinart stated that he has had involvement in Town projects. He is on the Downtown Master Plan Committee and is serving on or has served on the following; Region 9, Library Board, was the Chamber President, on the Home Rule Charter Commission. He owns a business in town and will be in town for a long time. He has the time needed to serve on the Council and wants to be a part of Pagosa's future. He has an open mind and doesn't have an agenda. He didn't run by petition earlier because he was in the process of closing a business and really didn't have the time right then.

Judy James said that when no one seemed interested in the Council seat she went ahead and submitted her letter. There are many exciting things ahead of us and she would like to continue on the Council if so appointed.

Councilmember Cotton moved to appoint Judy James to the District 2 Seat. Councilmember Holt seconded and with 4 ayes the motion carried, with Councilmember James abstaining from the vote. Councilmember Cotton thanked John for his interest and said for him to remember there will be more vacancies in the future.

Patty Sanders wasn't on the Agenda but Mayor Aragon would like to give her some time to talk to the Council. She has previously kept horses on the property the Town recently bought from Clifford Lucero and would like to continue to keep them there if possible. She said they will keep it clean and presentable. They would like to put up a shelter of some sort that they would take down when they vacate the property. They will also fix the fence out of their pocket and will not hold the town responsible for anything. They would pay $20/horse/month and would like to sign at least a year contract. Councilmember Cotton said that there should be a 90 day clause in the contract for in case something comes up. Councilmember Holt moved to draft an agreement between the parties that would deem the town harmless for one year with the 90 day clause to vacate. Councilmember James seconded and with 5 ayes the motion carried.

III. Renewal of Best Western Oakridge (Squirrel's Pub) Liquor License: An employee sold alcohol to an underage person during a sting that was done jointly with the Liquor Enforcement Division; they will be taking administrative action. The Police Department doesn't have any objections right now to renewing the license. The Police Department will be keeping better records and will submit reports to be given to the

Council that will make recommendations at renewal time. They are also going to sponsor a seller/server training for liquor establishments and are going to do more compliance checks. They also recommend that we might want to consider and ordinance regarding minors in liquor establishments after a certain time (like 10:00 p.m.) Councilmember Whitbred moved to approve the liquor license renewal. Councilmember Cotton seconded and with 5 ayes the motion carried.

IV. Second Reading of Ordinance 648 Regarding Business Licenses: We already revised the Contractor's Work Permit stuff to include the Worker's Compensation Certificate. Councilmember Cotton doesn't think Contractor's should have to get both a work permit and a business license. He also thinks if we are going to do this that the Town Council should be the final in the appeal process not just the Manager. Julie Jessen said that we do not want to use this as a revenue source; we want this as tracking and to help them. We are losing sales tax revenue and this is a good tool to know who the businesses are, what they are doing and to have a record of them. Councilmember James is in favor of business licenses, it is important to the health, safety and welfare of our constituents to have checks and balances. Councilmember Holt stated that we could put together a "New Business" Packet and get them started on the right foot and use the business license as a trigger for that. Councilmember Whitbred moved to approve the 2nd Reading of Ordinance 648 contingent on changes discussed on the appeal process. Councilmember Holt seconded and with 4 ayes and 1 nay (Cotton) the motion carried. The fee resolution will be presented at the next regular meeting May 2, 2006.

V. Discussion on Large Format Retailer Moratorium: Councilmember Holt asked that this be put on the agenda. The current moratorium runs out on June 16, 2006 and we still have not enacted any ordinance. He proposes taking the size caps the Task Force originally recommended and using them as a trigger to then put in strict controls and more hoops to jump through, so anyone who wants to build over that cap will have to have a great plan. That way we can get Tamra started and have the ordinance in place by the time the moratorium runs out. Angela agrees with that we just need to come up with the details of the criteria and what hoops. Cappy White realizes we need compromises, but he thinks big stores will change the nature of this town. He would still like to see an actual cap but thinks at the very least he wants to see them jumping through hoops. Angela asked Stan if he would be willing to work with her, Tamra, and the Task Force along with other Council Members if they want to be involved to put together the criteria so there will be a better buy in since more people will be involved in the development and writing. Tamra said that this is going to be a challenge especially with the timeline and that it also needs to be tested against the Comp Plan and we need to make sure that it is Pagosa Specific. Councilmember Whitbred likes Stan's idea and thinks we should move forward and make sure we include but not limit criteria to impact analysis, design guidelines, guarantees on no building abandonment, parking and landscaping plans, and footprint analysis. Stan and Darrel said they would both be glad to be involved in coming up with the criteria and the hoops. Councilmember Holt moved that a large format retailer ordinance be written so that anything over 35,000 square feet for small retail and 20,000 square feet for multi tenant goes through a review process as a compromise. Councilmember Whitbred seconded and with 5 ayes the motion carried.

VI. Discussion on Disbursement of Lodging Tax Funds to the Town Tourism Committee: The Town Tourism Committee (TTC) is going to use consultant Linda Hill and Company to expand on what the Chamber of Commerce has already been doing, and they would like to authorize $40,000 to do the research. The TTC will write proposals to the Town Council; they will approve them and send them to Deanna to cut the checks. This $40,000 expenditure will come in front of the Council at the May 2, 2006 meeting. We also need to find out how the County distributed money to the Chamber in the past, Mark thinks it is quarterly but he will double check.

VII. Discussion on Drug Testing Policies: Councilmember Cotton thinks we should have pre-employment screening. He also thinks it is discriminatory to pick only a group of people to test and not to test everyone. Either we should test or not, but that is not what the courts say. What about people who oversee children? Isn't that safety sensitive? Councilmember James and Whitbred agree with the pre-employment testing, again for the health and safety of the public. Councilmember Holt and Mayor Aragon agree too. Councilmember Cotton moved to include pre-employment drug screening in our personnel policy. Councilmember Whitbred seconded and with 5 ayes the motion carried.

VIII. Any Other Business that May Come Before the Council:

A. Impact Fees – The County is not making any progress. The Town wanted to get these in place before the summer building cycle begins. The San Juan Water Conservancy District, the school, and the Fire District are all on board. Tamra thinks the County is trying to move ahead, they just need to get some questions sorted out about when they can collect and for whom. Staff recommends implementing the fees without waiting for the County. We will have the ordinance ready for the May 2, 2006 meeting.

Councilmember Whitbred moved to adjourn the meeting. Councilmember James seconded and with 5 ayes the motion carried. The meeting adjourned at 1:38 p.m.

Ross Aragón
MAYOR

Tuesday May 2, 2006

The Planning Commission met at 5:00 p.m. to hold a public hearing on the Comprehensive Plan. Clarion and Associates presented the recent changes to the Comp Plan. They took a lot of public comment and passed a resolution accepting the Comp Plan.

The Mayor called the regular meeting of the Town Council of the Incorporated Town of Pagosa Springs to order at 5:32 p.m. with the following answering roll call:

Mayor:	Ross Aragon
Council Members:	Cotton, Holt, Jackson, James, and Simmons

The minutes of the April 5th meeting were approved with one change. Councilmember Simmons had abstained from the liquor license renewals. The minutes of the April 12th meeting were approved as read.

Liquor Licenses:

1. Pagosa Bar Liquor License Renewal
2. Plaza Liquors Liquor License Renewal – Councilmember Cotton moved to approve the liquor license renewals. Councilmember Jackson seconded and with 5 ayes and 1 abstention (Councilmember Simmons) the motion carried.
3. Folkwest Special Events Liquor License
4. Chamber of Commerce Special Events Liquor License
5. Chamber of Commerce Special Events Liquor License - Councilmember Cotton moved to approve the Special Events Liquor Licenses. Councilmember Jackson seconded and with 5 ayes and 1 abstention (Councilmember Simmons) the motion carried.

Delegations: None

New Business:

1. Comprehensive Plan Adoption (Resolution 2006-14) – Councilmember Simmons moved to approve Resolution 2006-14 including a minor grammatical change. Councilmember Holt seconded and with 6 ayes the motion carried.
2. Design Review Board/Planning Commission Actions from April 18th Meeting.
   a. Housing Solutions of the Southwest Variance Request – This is for 503 S. 8th Street and is in the B-2 Residential Zone. This is for 2 different variances; the Board of Adjustments reviewed this and recommends approval of both variances. Councilmember Holt moved to approve the request due to the findings that it will meet the Comp Plan criteria. Councilmember Cotton seconded and with 6 ayes the motion carried.
   b. Piedra Estates Subdivision Zoning for Portions of Tract E (Ordinance No. 667) – The Planning Commission has reviewed this and recommends approval.

Councilmember James moved to approve Ordinance No. 667 on 1st reading. Councilmember Holt seconded and with 6 ayes the motion carried.

c. Majestic LLC Minor Impact Subdivision Request – The Planning Commission has reviewed this, and held a public hearing on this and recommends approval. Councilmember Simmons moved to approve the request. Councilmember James seconded and with 6 ayes the motion carried.

d. Piedra Crossing Conditional Use Permit Request – The Planning Commission has reviewed this and recommends approval of the Conditional Use Permit. Councilmember Holt has concerns with traffic especially at Eagle and Piedra and wants to know how it will be mitigated. Fred Schmidt said that the project will be mixed use not just commercial, which it is zoned for so this would cause less traffic than what it is zoned for. Councilmember Jackson moved to approve the request. Councilmember James seconded and with 6 ayes the motion carried.

e. Homes at Rock Ridge PUD, Preliminary Plan Review – This is at 72 Greatwest Avenue and is currently in the Counties jurisdiction. The Planning Commission has reviewed this and many citizens have concerns with access. The Planning Commission has recommended approval with 16 conditions. The Mayor would like to table this for a work session on Thursday May 11, 2006 at 12:00 p.m. at Town Hall.

3. Land Use and Development Code Amendment (Ordinance 668) – Councilmember Simmons moved to approve the 1st Reading of Ordinance No. 668. Councilmember Cotton seconded and with 6 ayes the motion carried.

4. Business License and Park and Recreation Fee Schedule (Resolution No. 2006-12) – Councilmember Holt moved to approve Resolution No. 2006-12. Councilmember James seconded and with 6 ayes the motion carried.

5. Impact Fee Ordinance (Ordinance No. 662) – The Mayor open this up for public comment.

Mark Weiler – would like the Town to consider having the impact fees paid just before the Certificate of Occupancy since the impact doesn't happen until then.

Fred Schmidt – said his only concern is we haven't heard anything from the County and we need to get them to adopt this at the same time. We need to get them to get this on the front burner.

Ronnie Zaday – said the County has it on the front burner. They have a new County Administrator and Attorney. She said they would also like to get on the same page with building codes.

Bart Mitchell – of Archuleta County Economic Development said that the Board supports the fees in general but they have some concerns. First they believe we will have the highest fees in the surrounding area and they want to stress the importance of the impact on the economies and developers, and many cities still do not have impact fees. Second if you start adding in the increases in all of the utility fees this stresses business owners. Third, businesses are second guessing coming here because

of the impact fees. Fourth, this makes it difficult for current small business owners to expand or buy if they are leasing.

Mark Garcia – stated that we are not comparing ourselves to other communities, this addresses us specifically and the costs of the impacts to Pagosa Springs.

Ron Maez – is in favor of impact fees but the money can't be used right away, we have to let it build up to be used in the future. Prices continue to go up.

Councilmember Simmons - stated that Durango has very different infrastructure needs compared to us and we need a lot.

Mark Weiler – said that the research done by EPS is based on need and cost of infrastructure. The amount was created on a cost basis, which is what it will cost to do it.

Councilmember Cotton moved to approve the 1st Reading of Ordinance No. 662. Councilmember Simmons seconded and with 6 ayes the motion carried.

6. Park and Recreation Commission Appointments (Resolution No. 2006-13) – This Resolution will appoint Veronica Doctor, Jonathan King, and Clifford Lucero to the Commission. Councilmember James moved to approve Resolution No. 2006-13. Councilmember Simmons seconded and with 6 ayes the motion carried.
7. San Juan Basin Health Department Building Issues – They are claiming that our storm drain caused damage to their property and want us to cost share or pay for the damage. They were excavating and pulled a band off or our storm drain. We gave them a new band and they replaced it, but didn't come to us for cost sharing until after the fact. Mark believes this is probably caused by a spring and doesn't think this is really our issue. They are asking for $10,197.00. If they really thought it was our problem our crews could have gotten involved and we could have repaired it ourselves. Councilmember Cotton doesn't believe we caused the problem, culverts are not water tight. Water takes the path of least resistance and with no blockage down below the culvert it would not have caused this kind of saturation. He doesn't think this is our liability. Councilmember Cotton moved to do nothing due to the information he has. Councilmember Jackson seconded and with 6 ayes the motion carried.

Old Business:

1. Park and Recreation Survey Report – Angela Atkinson gave a quick presentation of the findings. They sent out 2200 mail back surveys. This was sent out in February. We received 459 back which is a 21% response rate. The survey found the number one priority of the people who filled it out was open space acquisition. The number two priority of the people who filled it out was a multipurpose recreation center. A sales tax increase was the most acceptable method of funding a recreation center according to the survey, with

impact fees being a close second. There were a lot of facts and figures but we can get them from the report. Angela recommends that the next step be to test the findings with focus groups and then putting together a strategic plan.

2. Town Tourism Committee Report – They would like to request $46,800 in funding for 3 different projects. All reports they come up with will be public documents. There is no duplication between what they are doing and what the Chamber is doing. Councilmember Cotton moved to approve the funding. Councilmember Simmons seconded and with 6 ayes the motion carried.
3. CMAQ Projects Update – Both Greatwest and Cemetery are out to bid and should start in June.
4. Enhancement Projects Update – We are trying to go to bid in May for the Riverwalk Trail. We hope to go to bid in July for the two footbridges and we will try to get them both in place at the same time.
5. River Restoration Project Update – The Army Corps doesn't like the use of grout in our project and wants us to look at some of their alternatives. We have enlisted Congressman Salazar's assistance on this. Our consultant has put structures in all of the major rivers in Colorado and is currently working in Durango. Mark believes that the Corps is being really inconsistent with their findings. Council members Simmons and Holt think we should play hardball back. Mayor Aragon disagrees, he thinks that we can't fight anymore or we are going to be back in the same place in 10 years. He thinks we should see what they recommend and try to work with them. Councilmember Cotton agrees with Mayor Aragon, we have obviously ticked them off; we need to talk to them. Mayor Aragon said to request a meeting with them.
6. Downtown Master Plan Update – The 1st Draft has been delivered. There will be meetings on May 9th (Steering) & May 10th (Public).
7. Big Box Issue – Council Members Holt and Cotton along with Angela and Tamra have been meeting weekly and have come to the conclusion that we are going to need another moratorium extension. They are not going to be able to get this all buttoned up by June 16, 2006.

Department Head Reports:

1. Manager's Report: Sales tax continues to increase. April's receipts were up 18.4% compared to last year; this brings us to 14.8% year to date. We have had an art display proposal by Kathleen Stevinten. She wants to hang art in the Council Chambers between the windows and above the Council seats. The time frame is up to us. By consensus the Council said to start with a 3 month time frame.
2. Building and Planning Report: Dakota Spring Developer wants to bring their road up to town standards and have the town annex it. Staff thinks this makes sense to annex the road. By consensus the Council agreed this makes sense. Councilmember Holt recommends we have an Engineer look at it before we commit.
3. Parks and Recreation Department Report: We hope to get the Sports Complex site prepared and ready for sod soon. The CU project is coming along.

Councilmember Holt moved to approve the bills. Councilmember James seconded and with 6 ayes the motion carried. On a motion duly made the meeting adjourned at 7:40 p.m.

Ross Aragón
MAYOR

Thursday May 11, 2006

I. The Mayor called the Special Meeting of the Town Council of the Incorporated Town of Pagosa Springs to order at 12:00 p.m. with the following answering roll call:

Mayor: Ross Aragón
Council Members: Holt, James, Simmons, and Whitbred

II. New Business:

1. Review of Rock Ridge Subdivision Preliminary Plan Submittal – Todd Shelton gave a handout to the Council addressing the 16 concerns the Planning Commission had with their plan. They want this to be workforce/affordable/attainable housing but every time the costs increase to develop they have to get it back someway. CDOT has asked us not to approve the project until there is a full traffic study done. They usually like to see improvements with any increase over 20%. Something needs to be done to this intersection regardless if this project goes through or not. The Mayor opened this up for public comment.

Owen Parker of the Alpha Rock Ridge Metro District said they initiated a traffic study yesterday and he has been talking to the Shelton's. They want the road to meet the County specs. They are concerned with the impact, there is a substandard intersection right not and that impact without improvements would be huge. They are in favor of annexing into the town. Their budget is already set for next 2 years so they could not do any cost sharing.

Kathy Ruth asked how long the annexation process takes. Tamra said about 3 months. Her biggest concern is the intersection. It is a real bottleneck and there have been numerous accidents there already. She cannot see why we would want the additional impact and traffic on this unless there is a guarantee it will be improved soon. She also wanted to know if there was anything formal guaranteeing this will be affordable housing.

John Ramburg stated that we need a 4 lane situation there sooner than later.

Todd Shelton said that it is their full intent to keep it affordable. He believes they meet the town land use codes with a few exceptions. The rest of the stuff is engineering and he believes they have answered all the questions they had been asked. The annexation will be done at the approval of the PUD.

Mayor Aragon stated that he is very sensitive to affordable housing and we have to do whatever it takes to make sure we have that sensitivity.

Councilmember Holt brought up the idea of a possible Maintenance District where everyone gets involved in the improvement.

Mark said that a Maintenance District is a tough way to get it done. Maybe we can partner with the County and future developers will help pay. It is in the best interest of everybody to try and make it work.

Councilmember James asked if there were grants available that could help with this.

Mark said there are some possibilities and alternatives we could look at.

Councilmember Whitbred said that this is a very liable project and too premature for an approval or a denial. He moved to have another work session sooner than later to tie up loose ends. Councilmember Holt seconded and the motion carried with 5 ayes.

The work session was set up for May 17, 2006 at 12:00 p.m. in the Small Conference Room in Town Hall

Councilmember Whitbred moved to adjourn the meeting. Councilmember James seconded and with 5 ayes the motion carried. The meeting adjourned at 1:30 p.m.

Ross Aragón
MAYOR

TOWN COUNCIL WORKSHOP MEETING
May 17, 2006 12:00 Noon

The following Council Members present to answer roll call were: Mayor Aragon, Councilmember Cotton, Councilmember Whitbred, and Councilmember Holt.

Absent: Councilmember Simmons and James

Homes at Rockridge:

This meeting was to discuss the Homes at Rockridge Project. Representing this project was Doug and Todd Shelton.

The Mayor turned the meeting over to Town Administrator Garcia. TA Garcia advised Council that Town Planner Allen and Assistant Planner Niggs and TA Garcia met with Shelton's earlier this morning.

TA Garcia advised Council that Shelton's have approval from the County to continue their mobile home park project. Doug and Todd Shelton would like approval to create an affordable housing project and advised it would consist of 77 to 80 units. This project is in the County, but Shelton's would like to have it annexed into the Town.

Councilmember Whitbred questioned the Shelton's on the approval from the County. Todd Shelton presented minutes from 1998 requesting approval and the County consenting approval. At this time there were no guidelines or regulations from the County.

Primary concern is Great West intersection being an issue and access to Highway 160.

Councilmember Whitbred had concerns about variances, engineering specifications; lot sizes/set backs, road widths/radiuses, etc. They are County roads and access could be denied by Highway 160 and CDOT.

The Council members felt that before reaching any kind of consensus they would need to get advice from our Attorney and get his legal opinion.

Councilmember Whitbred asked about an IGA and felt Staff and Shelton's should get together with Davis Engineering regarding road grades and stop signs, etc.

There were also concerns about what monies would be available to fund any improvement projects at Great West and 160. TA Garcia felt maybe some CDBG grant monies or Energy Impact money might be available.

Council members agreed that the ultimate goal is to get the Great West intersection and Highway 160 problem resolved.

The Town Council decided that Town Planner Allen and Assistant Planner Nigg would meet with Davis Engineering and the Shelton's. Once this is done, Town Planner Allen can advise the Town Council and set up another meeting. Shelton's asked if they could set up another special meeting before the Town Council meets in June.

Doug and Todd Shelton thanked the Council for their time in this matter.

Meeting adjourned at 1:40 p.m.

Ross Aragon
MAYOR

TOWN COUNCIL WORKSHOP MEETING
June 5, 2006 12:00 p.m.

The following Council Members present to answer roll call were: Mayor Aragon, Councilmember Cotton, Councilmember Holt, Councilmember James, Councilmember Middendorf, and Councilmember Whitbred.

Homes at Rockridge:

This workshop was to discuss the Homes at Rockridge Project. Representing this project was Doug and Todd Shelton.

One of the main problems the Town's Engineer had was the 9% grade on the entrances into Rockridge and they will not budge on that. Due to this the Shelton's are now planning on changing the main entrance so it will have a 3-5% transition for 176 feet, and this is below the engineer's standards. According to the Shelton's the Town's Engineer is okay with the other entrance being at Baldwin Way being at a 9% grade as long as the main one is 3-5%. This will depend on the improvements that the Town of Pagosa Springs is supposed to do to Great West Avenue.

The Shelton's believe that the developers she be responsible for their impact on the community. Currently they have 77 spots and they plan on increasing with 31 new ones. So at full build out they believe their impact would an increase of a little over 10%, and believe that that is what they should be responsible for as far as impact fees towards the bad intersections. Then if the Town were able to get some grant funding or other monies for that intersection they could return the impact fee money. They also would like to pay at closing since that when the impact occurs.

They have also added a park in the center of the development for smaller children. They are trying to take property that is expensive to build on and make it an asset, to help keep the area affordable, and they want it to be a family development.

Mark thinks that with the changes they have made it should go back to the Planning Commission. They said if they had to go back to the Planning Commission, due to the time it would take they would leave the park and the different structures out. They are coming to a point where they are ready to scrap the whole project, and if they do it will just stay a mobile home park with 80 spots and there will be no changes to the intersection.

The intersection is already substandard and needs help no matter what. How do we get that done? Patsy Linblad, President of the Alpha Homeowner's Association believes that we need to be more proactive with CDOT rather than trying to go around them. She is also worried about increased traffic through the Alpha Subdivision. Marilyn Falvey also sees the intersection as a dangerous situation and doesn't think there should be any development until the situation is taken care of. Beverly Warburton stated that Rockridge is on a much faster pace for building that Alpha and sees that as a problem. Joe Limo stated that Alpha has a history of slow development. Rockridge is looking at a 5-10 year project for building depending on demand. If the project does not go through they will not annex into the town.

Councilmember Whitbred stated he thinks that there are 3 factors to this as far as he sees. The intersection, are we going to pave Great West Avenue using reserves, and we need to get feedback from our engineer before we make any decisions.

Councilmember Cotton wanted to know if there was a commitment to affordable housing. Then stated what do want to see out there, a mobile home park or stick built affordable housing. You have the same impact no matter what.

Councilmember James concurred with Councilmember Cotton. The town has no control if it stays a mobile home park and we need affordable housing.

Mayor Aragon agrees with both Council members Cotton and James. We need affordable housing but he doesn't like being told "Now".

The Shelton's said it is building season and they financially cannot wait until next year to start the project.

Councilmember Holt also agrees with Councilmember Cotton. He is interested in fairness to everybody. The last guy to come in shouldn't be responsible for everything. He supports the project.

By consensus the Council said they in support of the project over all.

Meeting adjourned at 1:40 p.m.

Ross Aragón
MAYOR

Tuesday June 6, 2006

The Mayor called the regular meeting of the Town Council of the Incorporated Town of Pagosa Springs to order at 5:00 p.m. with the following answering roll call:

Mayor:	Ross Aragon
Council Members:	Cotton, Holt, James, Middendorf, Simmons, and Whitbred

The minutes of the May 2nd, 11th, and 17th meetings were approved were approved as read.

Liquor Licenses:

1. Los Bernal, LLC dba Chato's Mexican Restaurant Public Hearing for New Hotel Restaurant Liquor License – The Mayor opened up the Public Hearing, there was no public comment. Councilmember James moved to approve the new license. Councilmember Cotton seconded and with 6 ayes and 1abstention (Councilmember Simmons) the motion carried.
2. Mountain Spirits Request to Modify Premises for Their Current Liquor License – Councilmember Cotton moved to approve the modification of the premises. Councilmember Whitbred seconded and with 6 ayes and 1 abstention (Councilmember Simmons) the motion carried.
3. The Junction Restaurant Liquor License Renewal
4. JJ's Riverwalk Liquor License Renewal – Councilmember Whitbred moved to approve both license renewals. Councilmember James seconded and with 6 ayes and 1 abstention (Councilmember Simmons) the motion carried.

Delegations:

1. CU Denver Architectural School Presentation – They didn't show up.
2. Mike Branch – 2005 Audit Presentation – The financial condition of the Town is healthy and cash reserves are up more than the minimum amount required by the state. Sales tax was up over $300,000.00 from the year before. The town has around $48,000.00 in Conservation Trust money they haven't spent and Mike believes that the Sports Complex would be a good way to spend this, just make sure it is in the budget. The Sanitation District also had an excellent year and Geothermal showed a profit for the second year in a row. The general ledger was well prepared and staff was very helpful.

New Business:

1. Design Review Board/Planning Commission Actions from May 16th Meeting.
   a. Philly Cheese Steak Conditional Use Permit Request – This is at 191 E Pagosa Street and is in the D-3 Zoning District. This will let him set up his stand without having to take everything down until September 18, 2006. The Planning Commission has reviewed this request and recommends approval. The applicant Joe Sabo is present to answer any questions. Councilmember Whitbred moved to approve the Conditional Use Permit Request. Councilmember Holt seconded and with 7 ayes the motion carried.

b. River's Edge PUD, Sketch Plan – This is for 252-274 San Juan Street and is in the D-1 Zoning District. The Planning Commission has reviewed this and recommends approval with some conditions. One adjacent property owner (Peggy Cooper) has concerns with traffic, parking, drainage, and law enforcement.

c. Whispering Pines Phase 11 PUD, Sketch Plan – This is at 260 Eaton Drive and will be 49 multifamily dwelling units.

d. Piedra Estates Subdivision Zoning for Portions of Tract D – Councilmember Holt removed himself from his Council seat due to a conflict of interest. Staff doesn't believe that this meets the rezone request criteria. There are also a significant number of people against this. The Planning Commission recommends a denial of the rezone. Guiseppe Margiotta speaking on behalf of the applicant said that the applicant was looking at other options for the property assuming there would be a denial motion. He is looking at the possibility of open space and may also look at a conservation easement. Councilmember Cotton moved to deny the request. Councilmember Simmons seconded and with 5 ayes and 2 abstentions (Council members Holt and Whitbred) the motion carried.

e. Cornerstone II Condominium Request – This is at 193 Talisman Drive. The Planning Commission has reviewed this and recommends approval. There were unable to hold a public hearing on this so they have deferred that to the Town Council. The Mayor opened this up for public comment, none was received. Councilmember Holt moved to approve the request. Councilmember Simmons seconded and with 7 ayes the motion carried.

2. Continuation of Moratorium on Applications for Large Retail Developments Emergency Ordinance (Ordinance 669) – This would continue the moratorium to September 15, 2006. Our attorney recommends that this be the last extension. An Ordinance is being worked on and will be in front of the Council soon. Councilmember Whitbred moved to approve Emergency Ordinance 669. Councilmember James seconded and with 7 ayes the motion carried.

3. Planning Commission Member Appointment (Resolution No. 2006-15) – This will appoint David Conrad to the Planning Commission. Councilmember Cotton moved to approve Resolution 2006-15. Councilmember Simmons seconded and with 7 ayes the motion carried.

4. Historic Preservation Board Reappointment (Resolution No. 2006-16) – This will appoint Glen Raby to a 3 year term on the Historic Preservation Board. Councilmember James moved to approve Resolution 2006-16. Councilmember Holt seconded and with 7 ayes the motion carried.

5. Preserve America Community Designation (Resolution No. 2006-17) – Councilmember Whitbred moved to approve Resolution 2006-17. Councilmember Holt seconded and with 7 ayes the motion carried.

6. Seeds of Learning Property Lease – This is for the property located at 7th & Apache. Seeds of Learning are finalizing their fund raising and design and want to break ground shortly. Seeds of Learning would like to have ownership of the property and staff would recommend a long term lease rather than ownership. Susan Thorpe and Richard Manley were there representing the Seeds of Learning Board and stated that they are within weeks of breaking ground and they still do not have any kind of written agreement with the Town in regards to the land. Their attorney has

advised them not to go any further until they have a written agreement and it is finalized. Their attorney has recommended 3 options (all which are ownership options). The Town has concerns with common land that will be used by both entities. Council members Whitbred and Middendorf want to see if the Town had committed anything in any previous minutes. Mark also reminded them of issues they had at the current Seeds site when it was the Mary Fisher Clinic and the negotiations they had to go through to get the land back. Councilmember Cotton moved to get the proposed lease from the Town's attorney to the Seeds of Learning attorney and see if we could get it resolved through that. Councilmember Whitbred seconded and with 7 ayes the motion carried.

Seeds of Learning also had a second issue they wished to discuss. They would like to talk about eh waiving of the building and impact fees and are bringing this back to the Council at Ken Charles recommendation. Ken thinks having to pay for these fees would take up a lot of the CDBG grant money that could be better used somewhere else. The Council said that at the time they denied the waiving of the fees, they had thought the gift of the property was enough

Old Business:

1. Second Reading of Impact Fee Ordinance (Ordinance No. 662) – There was no public comment. Councilmember Holt moved to approve the 2nd Reading of Ordinance No. 662. Councilmember Whitbred seconded and with 7 ayes the motion carried.
2. Second Reading of Piedra Estates Subdivision Zoning for Portions of Tract E (Ordinance No. 667) – There was no public comment. Councilmember James moved to approve the 2nd Reading of Ordinance No. 667. Councilmember Holt seconded and with 7 ayes the motion carried.
3. Second Reading of Land Use and Development Code Amendment (Ordinance No. 668) – There was no public comment. Councilmember Simmons moved to approve the 2nd Reading of Ordinance No. 668. Councilmember Whitbred seconded and with 7 ayes the motion carried.
4. Homes at Rock Ridge PUD Request – Mark gave a brief history of the previous workshops and meetings held on this request. The Town Engineer said he is agreeable to the 9% grade at Baldwin Way if the grades were taken care of at Great West Avenue. The applicant has worked through most of the conditions the Planning Commission put on them with the Town. The Shelton's would like to have another workshop to specifically discuss the affordable housing part of the project. They have ideas they would like to discuss. With the bids for Great West Avenue coming in higher than expected the Town would have to use reserve funds to complete this project. Patsy Linblad, the President of the Alpha Homeowner's Association is concerned with the increase of traffic through their subdivision and the impact on their roads. She is also concerned with the impact on Highway 160 and Great West Avenue intersection. She would like to see CDOT approached and not ignored before approval. Alpha would initiate a letter writing program to

CDOT to help them focus on this intersection. John Henley asked if the project fits into the Comp Plan and asked if there haven't already been traffic studies that should pertain to this analysis. Beverly Warburton said that Alpha is growing gradually and has 69 houses currently. It is the intensity and density that is the difference here. If the intersection is already unsafe the people in this room will be making the decision to make it worse. Todd Shelton made the formal request for the project to the Council for the Preliminary Plan. Councilmember Whitbred also wants to add a few more conditions. Councilmember Whitbred moved to approve the Preliminary Plan with the recommendations made by staff and adjusting for the ones already accomplished and to add some more conditions, that they commit in writing to their proportionate share of the Great West/Hwy 160 intersection as determined by a traffic study; commit in writing to an acceptable and agreeable plan to provide affordable housing; help facilitate the creation of a trail network linking the development to the Pagosa Springs Elementary School; and commit to improving and paving Baldwin Way. Councilmember Middendorf seconded and with 7 ayes the motion carried.

5. CMAQ Projects Update – We got bids back on both Great West Avenue and Cemetery Road and both came in over our budgeted amounts. Staff recommends using reserve funds to get them done. Cemetery is out for bid again; originally the projects were going to run simultaneously but by re-bidding it and doing them at different times it should bring the cost down some. As soon as we get bids in for Cemetery we would like them to get started on it as soon as possible, then Great West would get started in August.
6. Enhancement Projects Update – This is the 2 pedestrian bridges. We are expecting increased costs with the increasing cost of steel. We are just going to have to put this out to bid and see. The Riverwalk bid closing is on June 22, 2006.
7. River Restoration Project Update – Nothing has really happened on this recently. The Army Corps, the Town, and our consultant are going to sit down at a meeting if we can get on the same schedule.
8. Downtown Master Plan Update – Winter and Company were her on May 9th and 10th, they have submitted the 1st draft, we sent back our comments and we are anticipating the 2nd draft in a few weeks.

Department Head Reports:

1. Manager's Report: Sales tax is up again, 28% over the same month last year and 16.47% year to date. Mark would like to propose the creation and hiring of a Public Works Director. The Public Works Director would oversee Streets, Parks, Sanitation, and Geothermal, and also some of the Capital Improvement Projects. For funding this position Mark would like to use the money that we are entitled to from the County for road mills, we are entitled to 50% of that for our incorporated streets. In the past we have been collecting $30,000.00 and supposedly getting the rest in kind, mainly by using the counties equipment. We think we are leaving about $46,000.00 on the table. The County hasn't paid the 2005 money yet and Mark would like to ask them for the full

amount and use this to fund the position, in doing this he would also like to rework the IGA with the County.

Mayor Aragon set a meeting on Tuesday June 27, 2006 at noon to do an employee evaluation for Mark.

Councilmember Whitbred moved to approve the bills. Councilmember James seconded and with 7 ayes the motion carried. On a motion duly made the meeting adjourned at 7:55 p.m.

Ross Aragón
MAYOR

TOWN COUNCIL WORKSHOP MEETING
June 23, 2006 12:00 p.m.

The following Council Members present to answer roll call were: Mayor Aragon, Councilmember Cotton, Councilmember Holt, Councilmember James, Councilmember Middendorf, and Councilmember Whitbred.

Quasi Judicial Land Use Proceedings:

There was some concern brought up on this when Todd Shelton hand delivered some stuff and spoke to a few Council members himself when he missed a deadline for submitting the material to staff. Councilmember Simmons had some questions and wanted clarification regarding quasi judicial vs. quasi legislative and Ex Parte communications so he called the Town Attorney to get his questions answered. After getting his questions answered he believes that some of the conduct of the Council has not been correct and may be inappropriate.

Legislative – is when you are making policy.
Judicial – is when you are making a decision as to whether something meets the policy.

Mayor Aragon was upset that he didn't bring this to the Council before calling the attorney. The Council should have met regarding this before the attorney was ever called.

Councilmember Cotton thinks that being quasi judicial with land use is a stretch and we need a clear definition of when we are sitting in a quasi judicial situation. How do you define quasi judicial, quasi legislative and ex parte?

Councilmember Holt doesn't want our constituents to think we are having secret meetings and not in the public eye. The key to the whole thing is disclosure; make it public as soon as possible. Ex Parte communications is when you start talking about or making decisions. You cannot offer solutions or a recommendation that is when you get into trouble.

Councilmember Cotton believes that the way it is written, ex parte is any contact no one has to prove anything.

Councilmember Holt stated that someone had to make an accusation, but that you can't be accused just because you socialize.

Mayor Aragon stated that this is a small town and you rub elbows with everyone.

Councilmember Simmons said he is not talking about rubbing elbows; he is talking about private meetings. The developers can talk to staff and staff can present it to the Council.

Councilmember Cotton said that you can't leave it all to the staff or it can take the Council out of the loop. If one person can sway 6 others then we have a problem. He doesn't think the Council is acting quasi judicial until there has been an initial challenge, when that happens then it is quasi judicial.

Mayor Aragon stated that we lobby each other all of the time that is government.

Councilmember Holt said that the perception is what hurts, it doesn't matter if it actually happened or not. The whole intent here is to try and keep our nose clean and you do that by disclosure.

Councilmember Middendorf said he would be comfortable just telling people that he can't discuss those topics with them outside a public meeting.

Tamra stated that all applications have criteria that they have to meet and depending on whether they meet the right ones or not there is a process for adoption/approval or denial. Staffs recommendations follow the meeting or not meeting of the criteria.

Councilmember Simmons said that the bottom line is that we need to protect ourselves and our constituents.

Councilmember Whitbred said that when you do business with the Town then you have to disclose that to the Secretary of State. You have to talk to your constituents, just let them know that you can not offer any decision until both sides are heard and you meet in a public forum and disclose what is needed.

Mayor Aragon thinks that this is petty and isn't changing the way he does anything. He feels that he acts in the best interest of the Town.

Meeting adjourned at 1:10 p.m.

Ross Aragón
MAYOR

TOWN COUNCIL WORKSHOP MEETING
June 27, 2006 12:00 p.m.

The following Council Members present to answer roll call were: Mayor Aragon, Councilmember Cotton, Councilmember Holt, Councilmember James, Councilmember Middendorf, Councilmember Simmons, and Councilmember Whitbred.

Employee Evaluation – Mark Garcia, Town Manager:

Councilmember Whitbred moved to go into executive session for discussion of a personnel matter under C.R.S. Section 24-6-402(2)(f) and not involving: any specific employees who have requested discussion of the matter in open session; any member of this body or any elected official; the appointment of any person to fill an office of this body or of an elected official; or personnel policies that do not require the discussion of matters personal to particular employees. This session is to include all the Council, Town Clerk Deanna Jaramillo, and Town Manager Mark Garcia. Councilmember Middendorf seconded and with 7 ayes the motion carried.

The Council went into Executive Session at 12:02 p.m.
The Council came back into Regular Session at 12:45 p.m.

Joint Workshop with the Planning Commission to Discuss Height Regulations:

The Town of Pagosa Springs doesn't currently have a definition on how to measure the height of a building in the land use development code. All we have is the 35' height limit, but this can vary depending on how it is measured.

Mark stated that the Council needs to decide what they want to regulate with the height. Are they wanting to regulate massing height, or stories and density? We also need to remember that there are different scenarios in the downtown vs. the west end and east ends of town and that needs to be taken into consideration.

Associate Town Planner Joe Nigg went over some current projects with pictures to show how the height differences would end up depending on how it was measured and then made the staff recommendations.

Tracy Reynolds from Whispering Pines thinks it would be best for the Town to follow the International Building Code.

Fred Schmidt would like to see mid span be used.

John Hunley would also like to see mid span because it allows for a variety of architectural detail. We would also like to see the institution of some kind of trade offs with the developers to encourage is what is wanted in the Town.

Chris Smith said that if the staff recommendation is accepted that they would have to revamp their plan and new buildings would look a lot different then the ones that are already there.

Tamra doesn't think that mid span necessarily means getting better architectural design. We also need to make sure we keep in mind the Comp Plan and its story recommendations.

Councilmember Holt thinks we should come up with different zones for town and allow different heights within those different zones. We also have to think about neighborhood compatibility.

Mark stated that there is room for higher height allowances in areas other than in downtown. The Comp Plan says 2-3 stories, but what is that 3rd story?

Mark Weiler said that he agrees with different regulations in different areas that makes sense.

Kathy Lattin is on the Planning Commission thinks that there definitely has to be a height restriction of some kind, and thinks we also need different zoning areas taking into consideration what fits with the character of the neighborhood.

David Conrad is on the Planning Commission and thinks that nice buildings can be designed with in height restrictions. We need to keep in line with the Comp Plan and with things fitting into neighborhoods. You can get a lot of creativity with in a 35' height restriction.

Tracy Bunning is on the Planning Commission and thinks that height limits are fine, we need to know how to measure it so that everyone is on the same page.

Councilmember Middendorf said that the stories we want need to be better clarified.

Tamra said that the Comp Plan pretty much defines that but they can break down the zones with stories and heights that concur with the Comp Plan.

Councilmember Cotton thinks we need a baseline elevation and tie it to something that exists. Like maybe a road or something.

Tamra is hesitant to tie it to infrastructure because they can change. Everyone pretty much uses natural grade.

David Conrad likes what Tamra and Joe have recommended the way it is at this point.

Mayor Aragon told Tamra to come up with the zones and all the height and measurement options and to make recommendations. Then we would have another work shop with the Planning Commission before their next regular meeting. The next meeting with be on Wednesday July 12, 2006 at 12:00

Meeting adjourned at 2:05 p.m.

Ross Aragón
MAYOR

Wednesday July 5, 2006

The Mayor called the regular meeting of the Town Council of the Incorporated Town of Pagosa Springs to order at 5:00 p.m. with the following answering roll call:

Mayor:	Ross Aragon
Council Members:	Simmons, Middendorf, Cotton, Whitbred, Holt and James

The Minutes of June 6 & 27, 2006 meetings were approved.

Liquor Licenses:

1. Alley House Grill – Public Hearing. The Mayor opened the hearing to any public comments. No Comments. Councilmember James moved to approve the license. Seconded by Councilmember Holt and with 6 ayes and 1 abstention (Councilmember Simmons) the motion carried.
2. Downside Moose – Transfer of Ownership to 565 Grill. Councilmember Cotton moved to approve license. Seconded by Councilmember James and with 6 ayes and 1 abstention (Councilmember Simmons) the motion carried.
3. Hunan's Restaurant – Renewal of Liquor License. Councilmember Whitbred moved to approve license. Seconded by Councilmember Holt and with 6 ayes and 1 abstention (Councilmember Simmons) the motion carried.
4. Everyday Store – Renewal – Councilmember Whitbred moved to approve license. Seconded by Councilmember Holt and with 6 ayes and 1 abstention (Councilmember Simmons) the motion carried.

Delegations:

1. Cody Ross Commendation – Chief Volger presented a letter of commendation and certificate to Cody Ross. The Mayor thanked Cody Ross for his lifesaving actions and commended him.

New Business:

1. Review of Design Review Board/Board of Adjustments/Planning Commission Actions from Meeting on June 20th, 2006.

a. Main Street Rentals, LLC Variance Request. Request for Florist Shop located at 140 S. 7th St. They did not meet requirements and there was no recommendation from the BOA. Councilmember Holt moved to deny request at 140 S. 7th St.. Seconded by Councilmember Whitbred and with 6 ayes and 1 abstention (Councilmember Middendorf) the motion carried.

b. 14th St. Townhome Lot Consolidation Request. This was a request to consolidate lots 4-6, Block 2, Pinecrest Subdivision and Lots 1-3 of the

Wedemeyer Subdivision. The PC reviewed this request and recommended approval of the lot consolidation contingent upon the successful completion of the associated PUD. Councilmember Whitbred moved to approve the consolidation. Seconded by Councilmember Middendorf and with 7 ayes motion carried.

c. White Minor Impact Subdivision Request – A request to subdivide Lot 3B of the White Subdivision. The request is to create 2 tracts (5.42 and 9.40 acres each) from the original 14.82-acre lot. Councilmember James moved to approve the Minor Impact Subdivision request. Seconded by Councilmember Holt and with 7 ayes motion carried.

d. San Juan River Villas PUD Sketch Plan Review – This sketch plan review is for a new PUD located along E. Highway 160 and adjacent to the river. The PUD entails construction of 7 townhome buildings creating a total of 24 dwelling units. There was discussion from Council regarding possibility of having to move highway in the future. PC recommends approval of request with (5) conditions. Councilmember Holt moved to approve Plan review to include conditions PC recommended. Seconded by Councilmember Whitbred and with 7 ayes motion carried.

e. River's Edge PUD Sketch Plan Review – This is a review for a new PUD located on East San Juan St. and adjacent to the river. The location is 256 East San Juan St. and encompasses a portion of lot 18, Lots 19-22 and west half of Lot 23, Block 29. The PUD entails construction of 8 townhomes. PC recommended approval of this request with 3 conditions. Councilmember Cotton moved to approve PUD Sketch Plan Review with recommendation of PC approval. Seconded by Councilmember Holt and with 6 ayes and 1 abstention (Councilmember James) motion carried.

f. Whispering Pines, Phase 11 PUD Sketch Plan Review – This is a Sketch Plan Review for a new phase of the Whispering Pines PUD located on Eaton Dr. The PUD entails construction of 49 dwelling units within a variety of duplexes, triplexes, and four-plexes on three lots totaling 7.83 acres. There is also a need to rezone one of the lots(Lot 4B) from a commercial designation to a multi-family designation. PC recommended approval of this plan with (7) conditions. Councilmember moved to approve Sketch Plan Review with PC (7) conditions. Seconded by Councilmember Cotton and with 7 ayes motion carried.

2. Jackson Easement Vacation Request – Mr. and Mrs. Jerry Jackson requested the vacation of easements previously dedicated to the Town. The easements were dedicated following the vacation of a street Right of Way from the Town to the Jackson's. The easements are along the alley east of South 5th St. and specifically adjoining the westerly portion of Block 68. Councilmember's discussed the amount of traffic that could go through the alley. Pedestrian/Vehicular traffic. Riverwalk trail, etc. Council thought we should table this issue for now until Staff can work with Jackson and figure out what would be best. Jackson asked for

deadline by at least the August meeting. Council agreed that would be a legitimate time frame.

3. First Reading of the Village Drive Annexation Ordinance (Ord. No. 671) – An Ordinance completing the annexation of Village Dr. from Talisman Dr. to North Pagosa Blvd. Councilmember Holt moved to approve first reading. Seconded by Councilmember James and with 7 ayes motion carried.

4. Town of Pagosa Springs Personnel Policy Adoption Resolution (Res.#2006-01) There were (3) changes to the Personnel Policy - 1) Conversion of vacation and sick leave to Paid time off. 2) Addition of pre-employment drug testing and 3) Addition of Martin Luther King Day to the holiday list. Councilmember Cotton felt this was a lot of time off. Councilmember Holt asked about Annual Performances? Councilmember Cotton felt he needed more time to think about this. Council tabled this Resolution till further notice.

5. Sullivan Easement Dedication Request – This is a request to grant an easement from the Town to the property owner of Lots 1-3, Block 7 which is located along N. 4th St. The easement will accommodate an existing driveway that has existed for several decades and provides access to their residence. The easement is on property recently purchased by the Town. The current driveway and proposed easement are along a steep bank and will unlikely be impacted by future development of this property. Councilmember Whitbred made a motion granting easement with right to retract . Seconded by Councilmember Middendorf and with 6 ayes and 1 nay (Councilmember Cotton) motion carried.

6. Kinder Morgan Franchise Agreement Review - The previous agreement has expired and staff has worked with out attorney to complete changes to the agreement that agree with our Charter and updated other pertinent areas. Kinder Morgan is requesting a fee based on amount of gas delivered to customers. Council feels there is a need for future study on this issue. Council will withdraw this issue until further notice from Staff.

7. Memorandum of Understanding with Chamber of Commerce – Our attorney is working on a MOA detailing the specifics associated with the disbursements of Lodging Tax money to the Chamber of Commerce. Council decided to bring this issue back at the next regular meeting in August with Chamber representation .

8. Erickson Variance Request – This is a variance request for allowance to build in the floodway and was originally reviewed in 1997 and approved by the BOA. The request specifically asks for ability to complete a 10 foot sq. addition onto an existing residence located at 343 N. 5th St. The

existing residence is adjacent to McCabe Creek. The applicant (Mr. Douglas Erickson) had not completed the improvements and is now trying to complete his plans. Staff recommends approval because of hardship. Councilmember Simmons moved to approve request as long as we have our Attorney investigate if liability occurs and draft a release of liability and approve as is. Seconded by Councilmember Whitbred and with 5 ayes and 2 Nays (Councilmember Cotton and Mayor Aragon) motion carried.

9. Pagosa Area Water and Sanitation District IGA Update – The Town, PAWSD and School District have been completing joint raw water diversion projects under an IGA. Two of the four planned projects have been completed. The dates and deadlines within the current IGA are no longer valid and the IGA has been updated to reflect our current schedule for completing the Reservoir Hill (2006) and Centennial Park (future) diversions. Councilmember Holt moved to approve IGA. Seconded by Councilmember Whitbred and with 7 ayes motion carried.

Councilmember Whitbred was excused from meeting at 6:57 p.m.

Old Business:

1. Seeds of Learning – Per direction of TC we directed our attorney to work with Seeds of Learning attorney regarding the language on the ground lease. Our attorney contacted their attorney and discussed the need to work on a lease versus fee simple ownership. To date, their attorney has not been in touch with our attorney. The lease does detail a reversion clause that would return the property and improvements to the Town in the event Seeds defaults on the lease or other issues arise. Councilmember Holt felt this should be tabled till their Attorney responds. Mayor Aragon felt 40 years for the lease would be in good faith. Councilmember James felt 40 years was good, but 100 years too much. This item tabled till further notice.

2. CMAQ Projects Update – Town Manager Garcia gave a cost breakdown for the Cemetery Rd. and Greatwest Ave. paving project funded in part with CMAQ funding. We significantly went over our estimates and budgeted amounts for these projects. Funding from other capital projects (Street Paving and Lewis St. improvements were used.) the need for supplemental funding is in the amount of $165,588. Staff estimates that to date we have collected approximately $150,000 in sales tax in excess of what is budgeted for the 2006 budget. Staff recommends we continue with these projects and use either excess sales tax revenues or reserves to complete these two projects. Council advised Town Manager to proceed and complete these projects. Lewis St. project #1 priority.

3. Enhancement Project Update - Bids are in on the Riverwalk Trail project and fortunately the lowest bid was considerably lower than our engineer's estimate. Staff will be completing contracts and awarding the bid as soon as possible.

4. River Restoration Project Update – A meeting with Town Staff and Council members and Corp Rep and our Consultant was completed in early June. Our Consultant agreed to the requirements and the Corp agreed to issue a permit specifying numerous conditions. We are awaiting the draft of an approved permit from the Corp detailing all their conditions. One issue of concern is the approval of the existing improvements and it was determined in the meeting that it is our charge to determine that the existing improvements, as built, meet the Corp requirements. To date, we have not received any drafts from the Corp.

5. Downtown Master Plan Update – The master plan consultant (Winter and Company) has completed the second draft of the plan . Town Planner Allen advised of tentative dates for future meetings possibly on July 25th, Public Meeting July 26th, Open House Aug.16th and Aug.22-24 Training and work shop for Council for closure/completion.

Department Head Reports:

1. Manager's Report
   a) Sales Tax is up again
   b) Web page – We will see an increase in hits with on-line bill paying
   c) Personnel Issues- Need notice to discuss – Council recommends to discuss at meeting on the 12th of July – executive session and notice it. Town Manager Garcia was advised to forward it to our Attorney also.
2. Building and Planning Department –
   a) Building Department staff met with the area homebuilders association and discussed various issues. The association is requesting the formation of an Appeal/Users Board. Councilmember's asked Town Manager to have Building Inspector Scott Pierce provide a report about the meeting and advise what motivated this request.
3. Parks and Recreation – Discuss findings of Survey that was mailed out. Possibly (2) Public meetings – (1) Recreation and (1)Parks.

Councilmember Simmons moved to approve the bills. Councilmember Holt Seconded and with 6 ayes the motion carried. On motion duly made the meeting adjourned at 7:38 p.m.

Ross Aragon, Mayor

TOWN COUNCIL POSSIBLE EXECUTIVE SESSION SPECIAL MEETING
July 12, 2006 at12:50 p.m.

The following Council Members present to answer roll call were: Mayor Aragon, Councilmember Cotton, Councilmember Holt, Councilmember James, Councilmember Middendorf, Councilmember Simmons, and Councilmember Whitbred.

An Executive Session for Determining Positions Relative to Matters that may be Subject to Negotiations per C.R.S. 24-6-402(4)(e):

Mark stated that this meeting was posted as an executive session meeting, however if the Council determines that it is not necessary it is their choice. Mayor Aragon said he didn't think it was necessary to go into executive session.

Mark handed out a memo from the Town's Attorney Bob Cole regarding the possible negotiations.

Mark then stated that there had been issues with the performance of Joe Lister Jr. for some time and that he believes that it is well documented. This came to a head with the Recreation Supervisor Myles Gabel. When Mark originally terminated Jr., he told mark that it would cause him some hardships with paying his bills so Mark gave him the option of taking a demotion to the Recreation Supervisor position. Ultimately Jr. ended up getting terminated for insubordination. According to the Personnel Policy the grievance process ends with the Town Manager. Jr. had written a letter that both Bob Goodman and Clifford Lucero signed wanting to go to the Town Council, this is where the insubordination occurred.

Mayor Aragon said that he thinks this could have been handled better. It became too personal, and the documentation could have been better. When things are not handled well the Town can be put in a liable position.

Councilmember Holt stated that there isn't any provision in the current Town Personnel Policy to allow Jr. to go to the Council. Do we want to add something like that? He doesn't think the Town Council should be in that position and it undermines the Manager's authority. He doesn't want to be micro managers.

Both Councilmember James and Whitbred agree with Councilmember Holt.

Councilmember Cotton that the current policy is okay for all positions other than department heads, and he thinks there needs to be some kind of grievance process other than that ending with the Town Manager especially if it becomes personal.

Councilmember Holt stated that once the Council puts themselves into personnel management, they will be involved in all areas of it.

Mark stated that this is also something that the Management Team we have discussed could work. Once formed they can take care of these kind of things and work collectively.

Councilmember Cotton said that there needs to be a buffer somewhere. Mayor Aragon agrees.

Mark stated that Jr. did go through a grievance process and that it is on file, the Town also paid him for extra days after his termination date. We do have insurance for these kinds of things and we could forward this on to CIRSA and let them handle it. If it goes to court they will provide a lawyer and defend us.

Councilmember Cotton moved to write a letter back to Junior's Attorney with no concessions and then to forward everything to CIRSA for them to handle. Councilmember Whitbred seconded and with 6 (Councilmember James left early) ayes the motion carried. On a motion duly made the meeting adjourned at 1:25 p.m.

Ross Aragón
MAYOR

TOWN COUNCIL/PLANNING COMMISSION JOINT WORKSHOP
July 12, 2006 at11:30 a.m.

The following Council Members present to answer roll call were: Mayor Aragon, Councilmember Cotton, Councilmember Holt, Councilmember James, Councilmember Middendorf, Councilmember Simmons, and Councilmember Whitbred.

Building Height Regulations Discussion:

Tamra gave a brief summary of the last meeting held on this topic.

Councilmember Cotton stated that he thinks that the height needs to be tied to something at the site and needs to include both cuts and fills.

Tamra stated that could be done, but that it should be done in a different part of the code and not as part of the height definition.

Tracy Bunning of the Planning Commission asked what was the goal in coming up with a height definition?

Tamra said that we are trying to follow our Comp Plan which defines that there should be a certain number of stories depending on the zone the building will be in. Then it is also trying to establish central view corridors among other things.

Bruce Miller thinks that the height should be measured to mid span so that we will see pitched roofs and more architectural design.

David Brown again asked the same question as Tracy. Then he stated that he believes we want to create a town that is architecturally pleasing, that we want to plan for the future and that we want people to be successful in their businesses, and that we stay economically viable. He then asked the Council what we are trying to do as a community. What do you want the downtown to be? Do we want urban sprawl to continue or to revitalize the downtown area?

Councilmember Holt stated that we also need to look at compatibility and remember that a lot of areas are currently in transition.

Tamra believes that the Comp Plan has spelled out the visions for the town and in turn that is where the story maximums come in and that in turn insures economic stability.

Sean Thompson asked why stories matter if the building is 35' it is 35' no matter how many stories it has.

Councilmember Simmons has concerns with the massing on Hot Springs Boulevard; it is a relatively small street and has a limit of 45'.

Elaine Finney asked about a mission statement and enforcement.

Bob Hart asked about situations when you had to bring in fill to get out of the flood plain.

Mark stated that we are trying to take the findings of the Comp Plan and institute them into codes (land use development code) that haven't been updated yet, but they will be. Then he suggested that in the interim that we define story limits and work towards height that is driven by architectural aspects and design criteria. Then it will still go to the Planning Commission and the Town Council for the final say.

Tracy Bunning said that might work but if they do that there will have to be additional hoops to jump through for developers at the Planning Commission level, especially with the subjectivity and there will still have to be baseline standards to go by.

Bill Hudson stated that he supports Marks suggestion and thinks it encourage a lot of interesting character in town.

Brad Ash stated that mid span promotes pitched roofs, where with a height limit builders will build to the maximum allowable and you will see flat roofs.

Mark Weiler said that we are having this problem because of the perceived conflict between the land use code and the building code. If you use a 35' at the mid span it would solve the problem.

Tamra said that the land use code and the building code are trying to achieve different things. The land use code is looking at height and the massiveness of the buildings.

Chris Smith said that using the same definition for both would be less confusing.

Michael McTeigue said that he wants to see something that insures compatibility architecturally and it looks like going to the mid span will do that.

Councilmember Cotton stated that we still need to address cuts and fills and he thinks it should be addressed here.

Councilmember Holt suggested that we add "and/or approved fill grade" to the definition and then come up with an "approved fill".

By consensus the Council directed Tamra to use 35' to the mid span and said they would work on the zoning issues later.

The Council set another work shop for Tuesday July 18, 2006 at 12:30 p.m. in The Town Council Chambers to discuss the Big Box Ordinance and the Seeds of Learning Lease

Meeting adjourned at 12:45 p.m.

Ross Aragón
MAYOR

TOWN COUNCIL/PLANNING COMMISSION JOINT WORKSHOP
July 18, 2006 at12:30 p.m.

The following Council Members present to answer roll call were: Mayor Aragon, Councilmember Cotton, Councilmember James, Councilmember Middendorf, and Councilmember Simmons.

Big Box Use Regulations and Design Guidelines:

Everyone was previously given a draft of the proposed regulations, there are 2 different pieces. There are the use regulations which will look at the impacts that are associated for retail buildings from 50,000 to 180,000 square feet. Then there are the design review elements.

The 180,000 cap was determined as a compromise of the group working on putting the regulations and guidelines together. For references the square footage of the following was given. The new City Market is approximately 54,000 square feet. The whole complex from City Market to Alco is approximately 120,000 square feet. The Durango Wal Mart is between 200,000 and 250,000 square feet. Ace Hardware is 36,000 square feet.

Councilmember Cotton stated that he doesn't think that the Town should have anything to do with the free market and that this is sending the wrong message.

Councilmember Middendorf would like to see more public input on the impact assessment before the public hearings at the Planning Commission and Town Council levels.

Tracy Bunning of the Planning Commission stated that the community will be involved; most Planning Commission meetings have become standing room only.

Natalie Woodruff of the Planning Commission said that the Town gets to approve a neutral 3rd party to do the impact assessment; we don't want to recreate the wheel.

Councilmember Cotton thinks that to open up this can of worms before we ever get started would be a mistake. We have to assume that the people picked to do the assessment know what they are doing. Then we can deal with the problems as they arise.

Tracy Bunning thinks that the current process is fine and seems to work well. We can always have extra work session on a project. So he agrees with Councilmember Cotton.

Tamra asked what if mailings go out sooner then in the Public Notice we can reference the Impact Assessment and let the public know it is available for review.

Councilmember Simmons would also like to see the notice radius that is currently 300' be expanded. By majority they directed Tamra to change the radius to 1000'. People within that radius do not have any more weight or pull then anyone else when submitting their complaints or approvals of projects.

Councilmember Cotton stated that mitigation of wages and benefits isn't our job either, we are not here to dictate these and if we do we should do it across the board. He thinks it is fair to ask for this information for the impact assessment, but using it as criteria to approve or not isn't fair.

Tracy Bunning agrees with Councilmember Cotton. We need to see what the overall affect will be, but that will come from the impact assessment and shouldn't come from the Town saying these are the minimums. The entity that does the impact assessment has to be familiar with town to make an accurate assessment. By majority Tamra was directed to take the wages and benefits portion out and to also get rid of the audit since without the wages and benefits there is really nothing to audit.

Councilmember Middendorf would like to see the Health District added to the impact assessment. By majority Tamra was directed to add the Health District to the impact assessment.

Councilmember Simmons asked if we have any leverage to keep from having abandoned buildings, so they couldn't abandon one building for another building. Maybe we could use bonds.

Tamra said that we also need to come up with a definition for what is "vacant" and add that. She was directed to look into both of these by majority. Someone else mentioned maybe trying to tie the definition to the amount of sales tax generated.

Councilmember Cotton had a question regarding the transferability of the impact assessment. By majority they decided to change shall to may and require approval by the town.

Tamra will have an ordinance ready for 1st reading at the August 1st meeting with all of the changes decided previously.

Tamra gave a summary of the current design review process.

Councilmember Cotton asked what significant vegetation was. Tamra said usually mature vegetation; mature trees for example usually Ponderosa in this area.

Someone brought up a discrepancy where the numbers of parking spaces were written. One place says three and one says five. Tamra said that three spaces was the intent and she would fix the typo.

Mayor Aragon opened up the meeting for public comment.

Jim Stacy asked are you saying you have to know what specific retailer will be occupying a building rather than just the category they fall into. Multiple retailers are very similar and one impact analysis could fit them all.

Tamra said that as long as the project is able to provide all of the necessary information then it doesn't matter.

LeAnn Goebel said that she is disappointed that the Town of Pagosa Springs is going to allow big boxes at all. She doesn't live within city limits so she can't vote for who sits on the council, but wanted them to know that even though this is the case that the council is still making decisions that affect her.

Meeting adjourned at 1:55 p.m.

Ross Aragón
MAYOR

Tuesday August 1, 2006

The Mayor called the regular meeting of the Town Council of the Incorporated Town of Pagosa Springs to order at 5:00 p.m. with the following answering roll call:

Mayor:	Ross Aragon
Council Members:	Cotton, Holt, James, Simmons, and Whitbred

The minutes of the July 5th, 12th, and 18th meetings were approved were approved as read.

Liquor Licenses:

1. City Market Store #38 Liquor License Renewal
2. City Market Store #45 Liquor License Renewal
3. Giant Store # 6068 Liquor License Renewal – Councilmember Whitbred moved to approve the 3 liquor license renewals. Councilmember James seconded and with 5 ayes and 1 abstention (Councilmember Simmons) the motion carried.
4. JJ's Riverwalk Liquor License Transfer of Ownership – Councilmember James moved to approve the license transfer. Councilmember Cotton seconded and with 5 ayes and 1 abstention (Councilmember Simmons) the motion carried.
5. Archuleta County Seniors (Oktoberfest) Special Events License
6. Folkwest Incorporated (4-Corners Folk Festival) Special Events License
7. Chamber of Commerce (Colorfest) Special Events License
8. Habitat for Humanity (Fund Raiser) Special Events License – Councilmember Cotton moved to approve the 4 special events license requests. Councilmember Whitbred seconded and with 5 ayes and 1 abstention (Councilmember Simmons) the motion carried.

Delegations:

1. David Brown & Chris Gerlach – David and Chris met about 3 years ago and have become close due to the fact they both have cancer in their right legs. Chris is a very talented and gifted painter, and together they would like to donate the paintings now hanging in the Town Hall to the Town of Pagosa Springs. David Brown then read a letter of donation of the mural. Mayor Aragon thanked the Brown's and Mr. Gerlach on behalf of the Town and the Council.

New Business:

1. Design Review Board/Planning Commission Actions from July 18th Meeting.
   a. 345 Apple Street Variance Request (Public Hearing). – This is a variance request that would reduce the 25' setback to a 10' setback. The character of this area will not change by allowing this variance. The application meets the criteria to allow the variance and staff also thinks we should change the Municipal Code to match the Paradise Mesa Covenants which is currently 10'. The Mayor opened the Public Hearing for public comment. There was no public comment. Councilmember Whitbred moved to approve the variance request. Councilmember Hold seconded and with 6 ayes the motion carried.

b. 14th Street Town Home Update – They are still working on revisions.

c. Highland Springs Preliminary Plan Review (Public Hearing) - This is at 275 A & B S. 10th Street. This is 31.6 Acres that will be 40 single family residential units. The 300' notification was sent out in July. Staff has received some letters of concern. The Planning Commission has reviewed this and recommends approval with 9 conditions. They have submitted a petition for annexation. They Mayor opened the hearing for public comment.

Patsy Linblad – President of the Alpha Property Owners Association stated that they reject any plans to connect to any roadways or easement to the Alpha Subdivision. They believe the majority of the easements in Alpha were never legally created anyways. They would like to keep the rural character of their neighborhood and would like the Council to respect that.

Sam Mathews owns Old Durango Road and has a letter dated today from the County Attorney saying that the County has no interest in the road and that it is private property and not available for public use.

Mark Bergon owns property that borders this development. He stated that the developer is anxious to develop and seems to be on the fast track. He says that if they put proposed houses on his property border it will block his view, will invade his privacy, and will change his lifestyle. He thinks the developer is acting very aggressively and is using strong arm tactics. He would like to see this mitigated to lessen the effect on his life. He would also like to see a park near his property, or even on part of his property, and he would like to see more meetings on this issue before any decisions are made.

Beverly Warburton lives in the Alpha Subdivision. She thinks they need to have more dialogue on this with the Council before there are any decisions. A drainage study hasn't been completed. There are serious issues in there with air pollution and affects on rural Alpha. She would like the council to take another look at this.

Tracy Reynolds owns the property. He says they are not trying to force anyone out and will sit down and discuss the project with anyone. There are not any drainage problems that he is aware of. Alpha's concern on the connection to Meadows Crossing, they don't want the connection there either. The town was looking at that for future concerns. He is fine with providing an easement for secondary road access on the north part of the property. They would like the primary entrance to be off of Trujillo Road. The population at full build out will be 40 units (figuring 2.5 people/unit = about 100 people at full build out).

Laura Gallegos submitted at petition to the council stating they want no more building on the South end of Town. It is bringing too much negativity and traffic.

Councilmember Simmons asked if a traffic study had been completed. Tamra said yes one had been completed and at 582 ADTs there were no significant impacts on its

own except on Trujillo Road, and they would up grade Trujillo Road to mitigate this plus they would pay impact fees.

This got continued until the next regular meeting so that Mr. Bergon can sit down and meet with Mr. Reynolds.

2. Community Development Action Plan Update – Ed Morlan and Laura Lewis of Region 9 said that this document is updated every 2 years. They are doing it for every County in the region. They want the Council to give any input they may have before they take it to the County Commissioners. They need the input by next Wednesday. The Council will get with staff to go over this. Councilmember Cotton moved to make Mayor Aragon the signing authority for this. Councilmember Simmons seconded and with 6 ayes the motion carried.

3. First Reading of the Land Use Development Code Update Ordinance pertaining to Impact Assessments for Large Format Retailers (Ordinance No. 672) (Public Hearing) – Councilmember Whitbred started off by saying he thinks that on page A4 we need to add the word acceptable between a and plan. We also need to add language to deal with buildings that are right next to each other. Mayor Aragon opened this up for public comment.

Lewis Perez lives in the Pagosa Lakes area. He thinks this should be put to a vote of the people and not something that is done by just a few people.

Cappy White doesn't know how it got to be 180,000 square foot cap. That is huge and out of scale for the community. He then read a letter from himself to the Council. Big box of this scale is a detriment to the community. He believes that the Council is acting personally and not by what the constituents want.

Cindy Gustufson stated that from City Market to Alco is far less than what is being considered and that is just beyond comprehension.

Bill Hudson lives downtown and is glad the Council is taking a strong position to keep the character of a small town, and that they are working hard to make sure the scale of height is to the community character. But you are not doing the same with the width. You need to get rid of the ridiculous 180,000 square feet.

David Brown agrees with Bill Hudson. There seems to be inconsistency on what the vision is. 180,000 square feet doesn't fit, it is way too big.

John Eagan hand delivered a letter to all the Council Members. Then stated he opposes the Councils position to allow big boxes in Pagosa Springs. Please do not allow them and adopt recommendations of the Big Box Task Force. He would also like the Council to consider this alternative, if we must have them make them go to Cloman Industrial Park then that can be annexed. This would take time and negotiations but it is another alternative.

Elaine Finney asked for a reason why the cap was changed from 70,000 to 180,000 square feet.

Councilmember Holt said that the Big Box Task Force had recommended 70,000 square feet but that was never approved by the Town Council. We have been dealing with this for a year and a half now and have extended the moratorium 3 times and cannot extend it again per our attorney. This is starting regulation with stringent controls after 50,000 square feet. Plus remember we are just town and have no control over what happens in the County. There are those who don't want any size limitations at all, and there are those who don't want any big boxes at all this was the compromise.

Cappy White asked where are these "other" people. We never see them come to any of the meetings. Maybe it should just go to a vote of the people.

Lee Riley said that it is frustrating to spend a year and a half working on stuff that the town asked them to do, then it is disregarded. It makes you not want to sign up for anything again.

Claudia Smith loves the design criteria portion.

Susan Ward said if you have so many hoops for them to jump through why not just limit the size. How many big box stores will be allowed in the community? Play conservatively in the beginning then expand later if needed.

Councilmember Simmons agrees with Susan we can always increase size later, and he pleaded with the rest of the Council to look at something smaller in the short term.

Councilmember Whitbred agrees that 180,000 square feet might be too big, but he also it as being selective on who is being competed against if the cap is too small.

A special meeting was set on Thursday August 10, 2006 at 5:00 p.m. for the 1st Reading of Ordinance 672.

4. First Reading of the Land Use Development Code Update Ordinance pertaining to Design Guidelines for Large Format Retailers (Ordinance No. 673) (Public Hearing) – The Mayor opened this up for public comment.

Ron Chacey thinks the design criteria is very appropriate, but has one concern. That is the level of cooperation between the town and the county. He then read a John Dickenson quote from 1768 from the Liberty Song "Then join hand in hand brave Americans all by united we stand by dividing we fall."

Michael Whiting is a citizen of the county and says that any new business that comes to the community needs to be sustainable. He applauds the design criteria.

John Hunley agrees with Ron Chacey.

Councilmember Whitbred moved to approve the 1st reading of Ordinance Number 673. Councilmember Holt seconded and with 6 ayes the motion carried.

5. First Reading of the Land Use Development Code Update Ordinance pertaining to the Definition for Measuring Building Height (Ordinance No. 674) (Public Hearing) – Our attorney has looked at this ordinance and made some recommendations which Tamra has included. Councilmember Simmons asked if a maximum height could also be added beyond the 35' to the mid span. Tamra said it could be easily added if that was the consensus of the Council. Councilmember Whitbred agrees with Councilmember Simmons but said if we have a maximum height, why bother with mid span. Just give a maximum height and say no flat roofs. The Mayor then opened this up for public comment.

Ron Chacey agrees with Councilmember Simmons but thinks that mid span is the right way to measure buildings. He thinks that just saying architectural features may not exceed a specified footage will work.

Sean Thompson thinks that the multi-structure language is too restrictive and that we should look at Telluride's ordinance.

John Hunley submitted a letter asking for more time on this issue so we could go into more depth.

Councilmember Whitbred thinks we should table this until the August 10th meeting and just go back to a straight maximum height limit.

Councilmember Simmons moved to approve the first reading of Ordinance 674 but adding a 40' height limit in addition to the 35' at the mid span. Councilmember Whitbred seconded and with 6 ayes the motion carried. There was more discussion and Tamra brought up some discrepancies in different areas in town. Councilmember Simmons moved to rescind his earlier motion and the votes and to table this until the August 10th meeting. Councilmember Cotton seconded and with 6 ayes the motion carried.

This was tabled until the August 10, 2006 special meeting at 5:00 p.m.

The Council then took a 5 minute recess.

6. San Juan Water Conservancy District, Archuleta School District 50 Joint and the Pagosa Springs Fire Protection District Impact Fee IGA Approvals – The County still wants to discuss theirs more and is still working through their issues. Councilmember Cotton moved to approve the IGAs with the School, the Fire Dist. and SJWCD pertaining to impact fee collection and distribution. Councilmember Cotton seconded and with 6 ayes the motion carried.

7. Scanga Trust Property Complaint and Summons – Information was provided to the Council for review.
8. Pagosa Pregnancy Center Impact Fee Waiver Request – This would be for a new facility on the corner of 8th and Apache. Guiseppe Margiotta was there representing the center. He stated that they are a 501c3 non profit and have been operating and providing service for 7 years. Councilmember Simmons said that with there being no criteria for anyone to qualify for this he is afraid if this is approved tonight it will open up for anyone to come in without meeting any criteria.

Dennis Yerton stated that they fall under the parameters of the current ordinance and believes this is a no brainer on what service they give to the community. The criteria are already stated in the Town Code. All of their staff is volunteers with the exception of only 1 paid position. They are funded by donations and would just like cooperation from the town.

Councilmember Cotton said that we want to set criteria so we don't have to handle this on a case by case basis and so it is not so subjective, he would like to see the criteria first.

Linda Muirhead thinks the town should consider the affects of non profits have on the community, what they give the community and exempting them from this.

Councilmember Cotton stated if there is someone to do this for this is it, they have no way to recover funds. Councilmember Cotton moved that with the Attorney's blessing to defer impact fees for 10 years unless they cease to do what they are doing. Councilmember Whitbred seconded and with 5 ayes and 1 nay (Councilmember Simmons) the motion carried.

9. Colorado Housing Incorporated Request – They have asked the town to be the responsible entity for a HUD grant they are applying for. At first Mark was leery as to the requirements of being the responsible entity, but since then has talked to Eric Bergman about this. Now he believes it won't take that much staff time and would be willing to go ahead and do this. He also thinks that if we do this that after the Housing Development Authority gets formed we can defer these to them. Councilmember Holt stated that affordable housing is a goal of the town and this is one way to help it so he thinks we should do it. By consensus of the Council they gave Mark the go ahead.

Old Business:

1. Jackson Easement Vacation Request – Councilmember Whitbred thinks that 8 of the 9 items are doable; he thinks Jerry ought to be responsible for item #6. Councilmember Whitbred moved to approve the agreement adding that Jerry pays for the survey and should be responsible for item #6. Councilmember James seconded and with 6 ayes the motion carried.

2. Second Reading of the Village Drive Annexation Ordinance (Ordinance No. 671) (Public Hearing) – There was no public comment. Councilmember Cotton moved to approve the second reading of Ordinance 671. Councilmember Simmons seconded and with 6 ayes the motion carried.
3. Kinder Morgan Franchise Agreement Review – Should we base this on volume of sales or revenues? Should we add a 2 year review clause? The volume of sales base has less an impact on residents. Councilmember Cotton moved that the language for the franchise fee be .0125/100 cubic feet of gas and to review on a 5 year basis. Councilmember James seconded and with 6 ayes the motion carried.
4. Memorandum of Understanding with Chamber of Commerce – Staff would recommend building the Chamber request for funding into the Town Tourism Committee by laws. The Chamber is okay with this. Deanna can draft a letter saying that for 2006 we will disperse funds as the Council determined, but in 2007 they will have to make their requests through the Town Tourism Committee. By consensus of the Council they said go ahead.
5. Seeds of Learning Lease – We need to have a work shop on this with Seeds of Learning. A work shop was set for Monday August 14, 2006 at 12:00 p.m. to meet and discuss this with Seeds of Learning. A work shop was also set for Monday August 7, 2006 to discuss issues we were faced with tonight on the big box stuff before the August 10th special meeting.
6. CMAQ Projects Update – Cemetery Road has started.
7. Enhancement Projects Update – We are trying to finalize bonding with the contractor on the Riverwalk Trail.
8. Downtown Master Plan Update – We need to do a little more work with Winter and Company. We also need to do some kind of growth educational outreach for citizens.

Department Head Reports:

1. Manager's Report: Sales tax is up again, 17.09% year to date.

Councilmember Whitbred moved to approve the bills. Councilmember James seconded and with 6 ayes the motion carried. On a motion duly made the meeting adjourned at 8:52 p.m.

Ross Aragón
MAYOR

TOWN COUNCIL WORKSHOP
August 7, 2006 at12:00 p.m.

The following Council Members present to answer roll call were:

Mayor:	Ross Aragon
Council Members:	Cotton, Holt, James, Middendorf, Simmons, and Whitbred

Review and Discussion of Proposed Ordinance 672 in Regards to Large Retailer Development Permits:

At the last meeting problems with the 180,000 square foot cap came up, so that is mainly what we need to discuss today.

Councilmember Simmons said that overall he is in favor of the impact analysis. The size cap is his biggest concern. 180,000 square feet is out of scale for our community, it is approximately the size of the Durango Super Center. He thinks a 50,000 – 60,000 square foot cap would be better and can still be viable. Taos has a 60,000 square foot Wal Mart. He then read a letter he received from Mark Larson in regards to the affects of the Cortez Wal Mart.

Councilmember Cotton says don't restrict sizes; the market will decide the size. They won't build a big building if it can't be supported. We are here to support everyone. 180,000 square feet is fine it is the limit; it doesn't say they have to build one that big.

Councilmember James also agrees with the 180,000 square foot cap. We can design it so that it is so difficult and they have to jump through so many hoops that they won't just flood in. She agrees with Councilmember Cotton.

Councilmember Holt says there are a lot of proponents on both sides of the issue. After 18 months of study we came to a compromise at 180,000 square feet. He could live with something smaller, but they did try to come up with an effective compromise that everyone could live with.

Councilmember Whitbred stated that 50,000 square feet is the trigger for the Impact Analysis and after that there are a lot of hoops to jump through to get to 180,000 square feet. There have been a lot of changes here in the past 30 years. He sees low income people getting forced out if we don't allow stores to come in that they can shop at. He is afraid we are heading towards becoming an Aspen, Vail or Telluride situation where only the rich can live.

Councilmember Middendorf thinks that the Big Box Task Force report is a valid document and would support a smaller size cap.

Mayor Aragon stated that we continue to see some emotion from about 8 people who have been strongly against Wal Mart. The Town Council is totally volunteer unlike the County Commissioners who get paid. We have not sold our soul, it is not easy to be here and we can only make decisions for the town. You cannot compare Cortez to Pagosa Springs, and there are those who say yes we do need a big box. Others sit there and make judgments when they haven't sat on the Council side of the table. No one has said there will be a Wal Mart in this town. He also sees us heading toward and Aspen/Vail situation and if that happens a lot of us won't be able to live here unless we do something to help the under privileged. Development is going to happen whether we like it or not we just need to guide and control it. Without growth there won't be any economic vitality.

Councilmember Whitbred said we are all in agreement for the requirements for anything above the 50,000 square feet. The problem is with the 180,000 square feet, are there any suggestions for smaller size caps.

Councilmember Middendorf asked how 180,000 square feet became the compromise.

Councilmember Holt gave him an overview of past meetings and how they got to the 180,000 square feet compromise with strict controls.

Councilmember Simmons asked didn't we have an EPS study that said mid boxes would provide for the needs of the community. Mark said that study was paid for by the Community Vision Council.

Councilmember Middendorf said that our Comp Plan says that we will avoid an "Every Town USA" image. He believes that big boxes are "Every Town USA."

Councilmember Cotton says that mid boxes can't stand on their own, if you go anywhere with in half a block of a mid box there is a bigger draw (i.e. Wal Mart, Kmart or Target).

Councilmember Simmons said we are talking about a small town not the big city. Start small then we can increase as we get bigger.

Councilmember Holt reminded everyone again that we only have until the 15th of September to finalize a document or developers will have a free hand to do what they want. We can't keep debating this and not come to a conclusion.

Review and Discussion of Proposed Ordinance No. 674 in Regards to the Measurement of Height:

Mayor Aragon said we need to come up with a definition of height.

Mark gave an overview of all the past meetings. He thinks we should look at height caps in a different ordinance they can also be looked at with the Downtown Master Plan.

Councilmember Holt thinks that we need to work on the verb age of the last sentence of the definition.

Councilmember Cotton agrees with Councilmember Holt. Tamra said that we can take out the last sentence and with the fill portion it will still cover retaining walls. Approved fills would come from the Planning Commission and the Town Council, but it will be somewhat subjective.

Councilmember Cotton thinks it should say "approved finish grade. Tamra said this would bog down the Planning Commission and Town Council reviewing every building. Councilmember Cotton said that staff could approve the fills; it doesn't have to be the Planning Commission or the Town Council.

Councilmember Holt said can't that be taken care of when the plans are submitted to the Building Inspector.

Councilmember Middendorf agrees he would be more comfortable if we added an "approved by" statement. He still likes the very first definition Tamra recommended.

Tamra will make all the recommended revisions and will email them out to the Council today for Thursday's meeting.

Meeting adjourned at 1:11 p.m.

Ross Aragón
MAYOR

Thursday August 10, 2006

I. The Mayor called the Special Meeting of the Town Council of the Incorporated Town of Pagosa Springs to order at 5:00 p.m. with the following answering roll call:

Mayor:	Ross Aragón
Council Members:	Cotton, Holt, James, Middendorf, and Whitbred

Councilmember Simmons showed up after roll call was taken.

II. Special Events Liquor Licenses:

1. Humane Society (Fund Raiser)
2. Pagosa Springs Public Facilities Coalition (Dances) – Councilmember Cotton moved to approve the special event liquor licenses. Councilmember Whitbred seconded and with 6 ayes and 1 abstention (Councilmember Simmons) the motion carried.

III. First Reading of Ordinance 672 (continued) – Mayor Aragon opened this up for public comment

Bart Mitchell, Executive Director of Archuleta Economic Development Association lives in PLPOA and has read the ordinance. The Development Association voted unanimously on 8/7/06 not to support the current ordinance. They still support the Big Box Task Force (BBTF) Ordinance 646 though. They believe the current ordinance is not what the community wants at this time; it is a matter of timing and magnitude. Now is not the time, the mid box solution is the best at this time.

Karen Aspin lives in the county and has read the ordinance. Her only problem with the ordinance is the cap size. 180,000 square feet seems extraordinarily high at this time in the community, please reconsider this.

Jeff Knuckles is the owner of property at Hwy 84 & 160, he purchased this 3 ½ years ago and it is zoned and approved for large commercial development. He was told by the county back then that big boxes were needed and wanted. He only sees 2 tracts of land in the area that big boxes will come to, his and Stan Seligman's across from the Uptown City Market. If you squared off the back of the City Market Country Center you would have 180,000 square feet and you would never know the difference. Very few of the actual downtown businesses would be affected by a big box. People deserve a quality place to shop without driving to Durango and paying $4.00/gallon for gas. Big boxes will eventually come and if the town doesn't allow them the county will and the town will not have any control. Time changes peoples' needs. If a big box came in with plans today it would take 5-6 years for the doors to open.

Russ Smith has an office at 700 Main Avenue in Durango. He handed out examples of sales tax revenues in Durango. He says that before Wal Mart came to Durango people

from Durango shopped in Farmington and spent their tax revenues there. After big boxes came to Durango, people from Durango now shop in Durango and now Farmington people come to shop in Durango. They come and shop not only at Wal Mart but also at the specialty stores and restaurants. Pagosa Springs also shops in Durango. Before big boxes came to Durango the downtown area was a lot of t-shirt shops with low rents. After big boxes came the downtown diversified and now there are more specialty shops. The downtown area has become vibrant with mixed use commercial and residential. He thinks big boxes would be a good idea for Pagosa Springs. Big boxes made Durango a healthier community. You have a real opportunity to control sprawl here and he thinks limiting size should be on a case by case basis.

Judy Kramer lives in the county and has read the ordinance. She is totally against the size cap. She chose to come to Pagosa Springs to get away from those things and can go to Durango to shop. She would like to see the BBTF recommendations be used. She commends Councilmember Simmons for sticking up for that.

Lee Constant grew up here and is now retired here. She thinks that big boxes coming here with the restriction and controls put on by the Council would be a benefit to the community. She would like to see all shopping done here and doesn't think they will cause problems with specialty stores. If we don't do it here the Ute Tribe will do it somewhere and get to keep all of the money.

Doug Erickson lives downtown and has read the ordinance. He thinks that 50,000 square feet is a good compromise.

John Steinart lives in town and has read the ordinance. He likes the AEDA approach and agrees with the 50,000-70,000 square foot cap. If you start bigger you can't come back. We can start slowly and move forward with concern. He is concerned with what things cost but is also concerned with the quality of life. You can always go bigger later.

Jim Stacy lives in the county but works in town. He thinks the Council has done a good job on the compromise.

Morgan Murray lives out of town, owns the Pagosa Country Center and has read the ordinance. He supports growth in Pagosa Springs but it needs to be done intelligently. He likes the BBTF recommendations and wants to know how we went from that to 180,000 square feet. He doesn't think the impact assessment does anything to protect independent retailers and believes that big boxes will have a radical affect on small business owners.

Bill Hudson lives in town and has read the ordinance. He thanked the Council for working on this and understands that this is a compromise with strong controls and protection. He would suggest removing the allowance for studies to be set aside.

Angela Atkinson lives downtown and has read the ordinance. Big boxes will alter their prototype to come into a community. Wal Mart has come up with a 99,000 square foot

prototype due to a 100,000 square foot cap in Florida. The haves and the have nots is a false argument. This is about an issue of control and how we want to shape our community. Do we want to be in the driver seat or someone else to be who is sitting far away in a board room somewhere?

Mark Weiler lives downtown and has read the ordinance. He complimented the Council on their civic service and said no matter what you do someone will say you made the wrong decision, but he knows the Council has the best for the community at heart. He asked is the 180,000 square feet retail space or just the building.

Councilmember Simmons stated there have been lots of meetings and lots of discussion on this. He believes we can reach a compromise but thinks 180,000 square feet isn't that compromise. The ordinance should reflect the size of the community. We can always increase size as the market dictates. We need to respect what our community is about and that is not 180,000 square feet.

Councilmember Holt says this is not an easy talk. He doesn't recall any problems at all when the Country Center was built. We can't pinpoint all the possibilities of what might happen. He agrees it shouldn't be too big but also doesn't want to detour another grocery store from coming in. He is open to a compromise figure like Councilmember Simmons. What the Council does only affects what happens in town, we have no control over what happens in the county. We need to have a combined effort to settle this issue.

Councilmember Simmons asked why we are limiting height if we won't limit square footage. If we let the market decide then let the market decide. We are seeing 2 different arguments from Councilmember Cotton.

Councilmember Cotton says we can create a look downtown that is completely different from the major retail areas. He thinks they can coexist. He sees downtown and other commercial areas as totally different. In the current ordinance the first thing a developer has to do is prove the need of their square footage. No one will put up a 100,000 square foot building with all of that cost if they can only support 12,000 square feet. When the consumer needs it the retailer will meet the needs. Where it is and what it looks like we will have some say over.

Councilmember Middendorf thanked Bart and Angela for their input. Then stated there are places with size caps and big boxes still come. We can always go bigger later. There are a lot of things in flux here (Comp Plan, Downtown Master Plan, etc.). We need to go conservative. The Ute Reservation argument is not our role, we are concerned with town and what is best for it and not the surrounding areas. This ordinance will help with the tax leakage problem. He still supports being conservative with the size cap.

Councilmember James stated that if a developer goes through the Impact Analysis that gives us control.

Councilmember Whitbred was glad to see people have read the ordinance and are not just listening to rumor. If we pass this ordinance on Thursday we are not going to have a 180,000 square foot building breaking ground on Friday. He is still up in the air a little and would like to hear more public comment.

Karen Aspin still thinks there needs to be a size cap; it should not be removed all together.

Russ Smith stated that it took 6 years of negotiations between Wal Mart and Durango. Durango was able to negotiate Wal Mart paying for some trails and some sanitations stuff and they also have a bond on the property to tear down the building and re-vegetate the area if they abandon the space.

Cappy White has read the ordinance and thinks it is important to have a cap so when we do anything we are acting not reacting. It is important that we dictate what kind of town we live in not anyone else.

Jeff Knuckles says it is a timing thing; this isn't going to happen tomorrow. No one has approached him yet. If we limit this today we put out an unfriendly notion that we don't support new business and then they won't come at all.

Sonia Lougold lives in the county and hasn't finished the ordinance yet. She will be opening a business in town. She saw the "gold rush" of Santa Fe. She didn't relocate back there because of all of the development. She picked Pagosa Springs because it is still a small town. Progress will inevitably happen but we still have some time to enjoy the small town atmosphere. What is the rush? Cap small then progress slowly.

Kathy Keyes has a sense of what the scale and the community is and loves this place. We want to determine how the growth of this place happens as well as attracting businesses. She is in favor of a small cap.

Linda LeCaster lives in the county and has read part of the ordinance. She agrees with the last 2 ladies and moved here because it is a small town. She wanted to get away from those kind of big town communities.

Michael Whiting lives in the county and has read the ordinance. He disagrees with Councilmember Cotton on the downtown's identity being different from the outlying areas. People don't made a distinction between Wal Mart on the outskirts of town and downtown.

Becky Carpino lives in county but owns a house in town and has read the ordinance. She thinks town has grown as large as it needs to. The flavor of the community is going to change dramatically. Keep the cap as small as possible, you can always go bigger.

Bart Mitchell has read the ordinance. It is a matter of timing and economics. There is only so much supportable square footage this town can handle. Durango didn't get a big

box until it had 41,000 people. If a big box comes in it will be about 1/3 of the supportable retail square footage. Do you want that to be all of our growth? Mid boxes will work fine. Who are you going to serve? What does the community want and what can it with stand?

Councilmember Cotton stated that moms and pops are gone, people need to buy things. If the market can't support it, it won't come. Mid boxes are not coming and he has yet to see a Borders that is not within spitting distance of a Wal Mart, Target, etc.

Judy Kramer lives in the county but her address is Pagosa Springs not Archuleta County. We live in a small town and she wants a cap.

David Brown lives in the county and has read the ordinance. He says on page A1 the purpose is confusing. Is that any one total retail project is not to exceed 180,000 square feet but 50,000 square foot trigger is on the building? He thinks we need a cap and it should be lower, it can always go up.

John Eagan lives in town and has read the ordinance. He also remembers Santa Fe as a small town and it grew. What they did wrong was allow wholesale development on the South side of town. It has lost its character and became "Every town USA". We have the opportunity to do something right and not make the same mistakes as other towns. Bigger and more isn't better. We have the opportunity to move slowly and cautiously into the future of Pagosa Springs. He thinks many mid boxes would be happy to be here.

Councilmember Cotton asked did Santa Fe have a Comp Plan, a Downtown Master Plan, or a plan at all. We don't know. How can we promote people coming here then expect them not to exist after they get here. If we take bricks and mortar and put it somewhere and it changes who we are then we don't know who we are. We cannot have growth and not have needs increase with that growth.

Melanie Whiting read ordinance and is building a house 1 mile out of town. She didn't move here to shop. She moved here so she wasn't right next to somewhere to shop. When you use the community resources it is not as expensive as you think.

Public comment was closed.

Councilmember Middendorf said the Country Center is 91,000 square feet (City Market is 53,000 and Alco is 23,000). The downtown City Market is 15,000. That is the current scale of the community now.

Councilmember Cotton said as we progress and people move here the scale has to change.

Councilmember Whitbred said there is a need for another grocery store. He asked Bart what square footage we could support as a grocery store without big boxes. Bart said we could support a 54,000 square foot grocery store to compete with City Market without

big box. Councilmember Whitbred then continued. No matter what we do someone is going to be mad. We have been going round and round on this. Councilmember Whitbred moved to approve the 1st reading of Ordinance 672 with the following amendments. On page A1 section 21.4.14 state that any retail development that contains 40,000 square feet or more in size but not more than 100,000 square feet in size for any individual business. Also change #2 from 180,000 to 100,000 and add a #13 saying that any variations from these provisions or condition as set forth in the document will require the variance process and will go through the Planning Commission who will make recommendations to the Town Council and the Town Council has final approval. Councilmember Holt seconded and with 7 ayes the motion carried.

We do need to come up with a definition of unified retail development before the 2nd reading.

IV. First Reading of Ordinance 674 (continued) – Tamra gave a handout with the multiple height definitions that had been discussed before, she just put them all together into one document. Mark stated that we need to define height by where to measure from and to, and then do maximum heights at a different time with a different ordinance.

Councilmember Holt likes Definition C and finds it totally relevant.

Sean Thompson stated that they need a height definition and they just want to know the ground rules from the beginning to the end. He handed out his suggested definition and asked that the Council read it.

Mark Weiler said that we have talked about this a number of times, give us a clear definition of height and get on with it. This is causing a real economic cost to us and he begged the Council to make a decision tonight. There have been too many inconsistent interpretations of the current ordinances and the economic consequences are ours. This is not fair at any level.

Town Manager Mark Garcia stated that staff has been very consistent in measuring height and the direction given to developers has also been very consistent.

V. Councilmember Middendorf moved to table this until the Monday August 14, 2006 12:00 p.m. meeting. Councilmember Cotton seconded and with 7 ayes the motion carried. On a motion duly made the meeting adjourned at 7:50 p.m.

Ross Aragón
MAYOR

Monday August 14, 2006

The Mayor called the Special Meeting of the Town Council of the Incorporated Town of Pagosa Springs to order at 12:00 p.m. with the following answering roll call:

Mayor:	Ross Aragon
Council Members:	Middendorf, Cotton, Whitbred, Simmons, James, Holt

1. Review and Discussion of Seeds of Learning Project:

The Mayor opened the meeting for discussion regarding the lease between the Town Council and Seeds of Learning.

Town Manager Garcia informed the Town Council of the ground lease that has been reviewed by both attorneys. Also a red lined version which depicts the changes/additions made by the Seeds attorney. There is a significant amount of proposed changes/deletions on the current lease that needs to be considered.

Also included in the agreement with Seeds that is part of the CDBG funding which also needs to be reviewed and approved. The CDBG funding in now contingent on the Town fulfilling requirements of Senate Bill 06-090, which is part of the new Immigration legislation recently passed by the State Legislature. We need to review this information and approve the Mayor's signature on the legislation submitted by the Department of Local Affairs. This will be reviewed at a later date.

Staff will be working with Seeds representatives on site development issues and specifically site drainage. Town staff did not approve their initial drainage proposal.

Town Council and Seeds of Learning personnel began by discussing the proposals by both attorney's and comparing opinions.

#1 Item – Ground Lease - Term of Lease is for 45 or 99 years. Councilmember Cotton felt a 45 year lease would be adequate. Seeds of Learning Personnel felt that this clearly gave the Town total advantage and was giving Seeds minimal. Seeds advised Council that they were in total dismay regarding the memorandum they received dated July 26th from the Town's attorney. Seeds felt their funders would not stand behind them if they did not have this property in perpetuity. Councilmember Whitbred felt he could live with a 99 year lease as long as the rest of the lease was intact and as long as Seeds remains a Child Care Center. Councilmember Middendorf liked the 99 year lease with the market value the way it is with ownership of the land.

Seeds felt they needed more protection and felt the need for a longer term of lease. Seeds asked the Town Council if they were prepared to pay full value back to Seeds if the Town

terminated the lease for any reason. Councilmember Holt felt that he could not go along with section 4.1 allowing Seeds to leave premises vacant when and if ever they wanted to relocate without consulting the Town. Holt felt things should be mutual.

Councilmember Middendorf asked Seeds personnel if they were a stickler for how this was written up. They advised they were not, but the changes needed to be fair for both sides. Councilmember Holt asked if we should take this to a third party. Seeds advised that they have been waiting for Bob Cole for quite a while but they haven't heard back from him.

Councilmember Middendorf made a motion to direct Attorney's to go ahead and approve 99 year lease, retaining Section 1.3 ground lease contract revising Section 4.7 to state the Town will pay full replacement and section 4.1 to go back to original wording and then consult again. Then have attorney's discuss finer points. Councilmember Whitbred seconded motion and with 7 ayes the motion carried.

Council members discussed Sections 28, 29 and 30.

Councilmember cotton felt that we should select a board to come to an agreement on the rest of this lease. Mayor Aragon also asked Seed's personnel if they would form (3) members also. Mayor Aragon made Councilmember Cotton the Chairman of this board along with Councilmember's Middendorf and Holt. (Cotton advised Mayor that Middendorf would be Chairman) The Mayor asked Seeds who would be their (3) members. It will be Lynn Bridges, Susan Thorp and Ben Franklyn. This board will meet on August 28, 2006.

Discussion on IGA agreement drafted and CDBG funding - Council agreed that this same sub-committee (board) would meet in a week on August 28th to discuss these issues also.
It will be discussed at the September meeting to authorize Mayor to sign off.

Councilmember James was excused from meeting at 1:15 p.m.

Councilmember's discussed the drainage improvements and was advised by Seeds that the cost would be between $15,000-20,000. The Town's equal share would be around $10,000. Councilmember Holt made a motion to approve cost sharing on the drainage plan. Councilmember Middendorf seconded. 6 ayes and motion carried.

2. First Reading of Ordinance No.674 (Continued)

   Title: An Ordinance of the Town of Pagosa Springs amending section 21.1.6 and 21.5.3. of the Pagosa Springs Municipal Code regarding the measurement of height.

Town Council reviewed definitions that have been considered. Definition A – D, What the town was using, Initial Proposal, Ordinance No. 674 and Uniform Building Code 1997.

At 1:50 p.m. Mayor Aragon turned meeting over to Mayor Pro-tem Whitbred.

Councilmember Middendorf made a motion to define height for land use ordinance as specified below: Councilmember Simmons seconded motion and with 5 ayes motion carried.

The Town of Pagosa Springs Municipal Code is amended with the addition of a new subsection (67.1) to read as follows:

(67.1) Height: Unless otherwise provided in any specific zone district , "height of building" or "building height" means the vertical distance between the following two points:

(a) From grade specified,

(i) The average of the pre-construction grade of the building's site coverage or the average of the post construction grad at the perimeter of the building's site coverage (including window and door wells which extend greater than four feet (4') from the exterior perimeter of the building's site coverage), whichever is more restrictive:

(ii) The approved grade, which shall be considered to be the grade approved by the Planning Commission for reasons such as, but not limited to, building out of the floodplain, etc.

(b) The highest point of any structure or the points specified for the following types of roofs:

(i) Flat roof. Height shall be measured to the highest point of the building, including parapet walls and rooftop appurtenances, but excluding architectural features and chimneys which may be permitted by locally adopted codes.

(ii) Gable, hip, gambrel or shed roof. Height shall be measured to the mean height level between the highest ridge or wall and the underside of its highest associated eave where it meets the vertical wall plane, provided, however, that a peak may extend no greater than six (6) feet above the specified maximum building height for any zone district. If any parapet wall equals or exceeds the height of the highest ridge, then vertical distance shall be measured to the highest point of the parapet.

(iii) Mansard roof. Height shall be measured to the decline of the roof.

Councilmember Simmons moved to adjourn the meeting. Councilmember Holt seconded and with 5 ayes the motion carried. The meeting adjourned at 2:30 p.m.

Ross Aragon
MAYOR

TOWN COUNCIL/PLANNING COMMISSION/HISTORIC PRESERVATION BOARD WORKSHOP
August 23, 2006 at12:00 p.m.

The following Council Members present to answer roll call were:

Mayor:	Ross Aragon
Council Members:	Cotton, James, and Simmons

Review and Discussion of the Downtown Master Plan:

The consultants have some policy questions and some other issues they need to be given direction on.

Parking in town is the first part of this. There has been some discussion on possible future parking structures in Town Park and also in the East Village between 1st and 3rd Streets. With parking you have to look at perception vs. quantification. So we compared the existing parking supply with the current demand and then looked at future needs. Tamra and Joe collected data on a Friday and Saturday during the lunch and dinner hours. What we concluded was that there are currently enough spaces for the current demand. At peak usage about 41% of parking was being utilized, however not all of it is convenient to those who need it. We did find some problem areas. They are the 400 block of Pagosa Street and also on Pagosa Street between 2nd and 3rd Streets, also on the East side down past the bridge.

We figure the Town of Pagosa Springs will need approximately 1000 parking spaces by 2020 to cover new development and redevelopment in the downtown area. Then at build out it will need another 200 spaces beyond that. So the question becomes how we supply this practically. Some will be taken care of by the developments themselves and some will be taken care of by shared parking resources. We figure about ½ the spaces in future development will be provided by individual developments. That leaves 400-600 spaces that will need to be phased in through time using shared resources. Unfortunately parking structures/lots have to be built all at once which can cause problems. As far as solutions go we have to think short term, mid term, and long term. Start looking at a parallel planning process now for long term (lots/structures). We need to identify sites that are worthy of further investigation and preserve options for future parking. Typically we find that people will walk 250-400 feet from their car to a door.

Funding becomes another issue. There are a combination of sources that involve both the private and public sectors. There is a fee in lieu of parking for developers, property tax mechanisms, and sales tax mechanisms to name a few. By consensus of the 3 boards and

commissions right now the Downtown Master Plan should be saying that parking will be handled collectively. If every development were required to handle it on their own it would not promote a pedestrian environment. There have been some areas looked at as possible future parking structure/lot sites. There are some issues with all of the areas and timing is going to be the key. The following list is areas that have been looked at so far:

1. Town Park
2. The Current Junior High Site
3. Methodist Church Site – This is a possible joint venture also
4. Corner where Subway is now.
5. The interior of the 400 Block

We should also think about some all day employee parking and RV parking so they won't block others.

Associate Planner Joe Nigg gave a power point presentation that showed what multiple different parking scenarios would look like.

By consensus of the 3 boards and commission they said to look at shared parking solutions as well as both on and off site areas and try to find some reasonable balance to scale.

Meeting adjourned at 1:38 p.m.

Ross Aragón
MAYOR

Tuesday September 5, 2006

The Mayor called the regular meeting of the Town Council of the Incorporated Town of Pagosa Springs to order at 5:00 p.m. with the following answering roll call:

Mayor:	Ross Aragon
Council Members:	Cotton, Holt, and Middendorf

The minutes of the August 1st, 7th, 10th, 14th and 23rd meetings were approved were approved as read.

Liquor Licenses:

1. Gringo Grill LLC, Kip's Grill & Cantina Liquor License Renewal – Councilmember Holt moved to approve the license renewal. Councilmember Middendorf seconded and with 4 ayes the motion carried.
2. Folkwest, Inc. Special Events Liquor License Request (Concert) – Councilmember Cotton moved to approve the request. Councilmember Holt seconded and with 4 ayes the motion carried.

New Business:

1. Design Review Board/Planning Commission Actions from August 15th Meeting.
   a. Rivers Edge Planned Unit Development Preliminary Plan Review (Public Hearing). – This is for 250-274 San Juan Street. It is 2 buildings that will have a total of 8 town homes. The Planning Commission has reviewed this and recommends approval with some contingencies which the applicant is willing to work with. Staff has received some letters of concern. The maximum height of this project will be 38'2" and will be 3 stories high. Mayor Aragon opened this for public comment. There was no public comment. Councilmember Holt moved to approve the preliminary plan subject to the Planning Commission conditions being met satisfactorily with diagonal parking not on the street. Councilmember Cotton seconded and with 3 ayes and 1 nay (Councilmember Middendorf) the motion carried.
   b. 14th Street Town Home PUD Preliminary Plan Review – This is at 176 14th Street. Joe Nigg gave a brief history of the project. There are still a few outstanding issues but they can be taken care of before the final plan submittal. The Planning Commission has reviewed this and recommends approval with contingencies. Mayor Aragon opened this for public comment.

   Guissepe Margiotta of Trinity Land Consultants was there representing the owners and he handed out the proposed phasing of the project. There will be a total of 4 phases, phase 1 is already built. He asked the planning staff some questions. They have timing issues and want to continue work on the sidewalks, curbs, and gutters at their own risk before approval of the final. Staff has no problems with this as long as the engineering is in line. Public comment was closed.

Councilmember Cotton moved to approve the preliminary plan review with the Planning Commissions contingencies. Councilmember Holt seconded and with 4 ayes the motion carried. Councilmember Cotton moved to grant permission for the Phase 1 sidewalks, curbs, and gutters to go in with the understanding that if it doesn't fit with the final PUD approval it will have to come back out and that there must be coordination with Davis Engineering on it. Councilmember Holt seconded and with 4 ayes the motion carried.

c. Heritage Building Condominium Conversion Request (Public Hearing) – Susan Ward is the owner of this building and she wants to divide it into 21 condos. Staff has determined that it meets the criteria for the conversion. The Planning Commission has reviewed this and recommends approval with conditions. Mayor Aragon opened this for public comment. There was no public comment. Councilmember Cotton moved to approve the conversion request with the Planning Commission conditions. Councilmember Middendorf seconded and with 4 ayes the motion carried.

d. Bear Country Center Planned Unit Development Sketch Plan Review – Planning Commission has recommended a continuation on this project. Staff gave the Council an update on the sketch plan review.

e. Crestview Minor Subdivision Review (Public Hearing) – The Planning Commission has reviewed this and recommends approval. This will be accessed from Crestview Drive. Mayor Aragon opened this for public comment.

Lucille Alley stated that this will add more traffic to Rainbow Drive which is already overloaded. Joe Nigg, Associate Planner stated that this is a minor impact subdivision so it doesn't require a traffic study. This subdivision already has one single family residence on it and we might see one more so there won't be that much more traffic. Town Manager Garcia said that with growth everyone is seeing impacts and impact fees were put in place to help deal with those impacts. Councilmember Holt stated that this is only to divide the property, later if someone buys this and wants to build apartments or something else there it will have to come back to the Council and will be dealt with at that time.

Councilmember Holt moved to approve the minor subdivision. Councilmember Cotton seconded and with 4 ayes the motion carried.

f. Seventh Day Adventist Church Conditional Use Permit Request – They want to relocate a modular building to the church property and then it will be remodeled and used as a school. The Planning Commission has reviewed this and recommends approval with contingencies. Councilmember Holt moved to approve the conditional use permit. Councilmember Middendorf seconded and with 4 ayes the motion carried.

g. Highland Springs Preliminary Plan Review (Public Hearing) – This is a continuation from our August 1, 2006 meeting. Tracy Reynolds met with the property owner that had concerns and they worked through their issues. They also dealt with some of the other issues of concern since then. There are still a few things that have not been taken care of. Mayor Aragon opened this to public comment.

Stan Mathews wanted to know what the 50' access easement was. Joe Nigg told him it was on the North side of the property and was for future access. Public comment was closed.

Councilmember Middendorf moved to approve the preliminary plan review with the 4 contingencies that were still unresolved plus the enforcement of the sidewalk, curb, and gutter requirements. Councilmember Cotton seconded and with 4 ayes the motion carried.

2. Preserve America Community Designation Update – This is a Federal project. Tamra presented the designation to the community. She then stated that this gives us more ability to seek funding for preservation. We have also been nominated for a Presidential Designation.

3. First Reading of the Municipal Code Update Ordinance Pertaining to the Adoption of the International Building, Residential, Mechanical, Fuel Gas and Fire Codes (Ordinance No. 675) (Public Hearing) – This has gone to the Planning Commission for a public hearing also. Scott Pierce the Town Building Inspector has amended sections to better fit our community. Mayor Aragon opened this for public comment.

Dusty Pierce of the Builder's Association said they have been working with Scott to have input and they basically like the 2006 International Codes. There is some controversy with the amendments and appendixes and he would like to have more time to study the appendixes and work out their issues. This is the first time we are trying to get the Town, County and Fire District all on the same code. Scott said most of the issues had already been taken care of at a meeting in which Dusty Pierce had missed.

Councilmember Middendorf moved to approve the first reading of Ordinance 675. Councilmember Holt seconded and with 4 ayes the motion carried.

4. First Reading of an Ordinance Amending Article 12, Chapter 21 of the Pagosa Springs Municipal Code Regarding Development Impact Fees (Ordinance No. 676) (Public Hearing) – State statute removes school impact and requires land dedication. This also discusses how impact fees can be waived. They can only be waived for affordable/attainable housing per state statute. Deferral is still a possibility except that you can't defer for special districts. Mayor Aragon opened this for public comment. There was no public comment. Councilmember Cotton moved to approve the first reading of Ordinance 676. Councilmember Middendorf seconded and with 4 ayes the motion carried.

5. First Reading of an Ordinance Adopting Article 16, Chapter 21 of the Pagosa Springs Municipal Code Regarding Fees in Lieu of Public Land Dedication (Ordinance No. 677) (Public Hearing) – This came based on a discussion between the Town's and the School's attorneys. Mayor Aragon opened this for public comment. There was no public comment. Councilmember Middendorf moved to approve the first reading of Ordinance 677. Councilmember Cotton seconded and with 4 ayes the motion carried.

6. Annexation Proceedings for Annexation Number 2006-02 (Stretton Property) (Resolution No. 2006-18)
7. Annexation Proceedings for Annexation Number 2006-03 (Town of Pagosa Springs Property) (Resolution No. 2006-19)
8. Annexation Proceedings for Annexation Number 2006-04 (Sullivan Property) (Resolution No. 2006-20)
9. Annexation Proceedings for Annexation Number 2006-05 (Highlands Springs Subdivision) (Resolution 2006-21) – All proceedings for annexations will go to the Planning Commission then come back to the Town Council for final annexation. Councilmember Cotton moved to authorize Mayor Aragon to sign the annexation petition on behalf of the Town of Pagosa Springs. Councilmember Holt seconded and with 4 ayes the motion carried. Councilmember Holt moved to approve Resolutions 2006-18, 2006-19, 2006-20, and 2006-21. Councilmember Cotton seconded and with 4 ayes the motion carried.
10. Resolution Establishing an Access Easement for the Sullivan Property (Resolution No. 2006-22) – The Sullivan's currently use a driveway that crosses town property and would like an access easement to continue this usage. Councilmember Cotton moved to approve Resolution 2006-22. Councilmember Holt seconded and with 4 ayes the motion carried.
11. Upper San Juan Health Service District Building Permit Fee Waiver Request – These fees would be fairly sizeable but Mark didn't know the exact amount. Most municipalities recognize taxing districts and waive fees for them. Councilmember Middendorf moved to approve the waiver request. Councilmember Cotton seconded and with 4 ayes the motion carried.
12. Catchpole Property Access Request – They would like access granted to their property. Staff has been working with Mr. Catchpole and Mr. Levine to establish access and staff believes it is in our best interest to grant access. We believe the property they are currently using for access is school property but we need to see for sure. Whatever access is granted they will have to improve it. There is an easement that follows the line of the Sanitation boundary that might work subject to our attorneys review.

Old Business:

1. Second Reading of the Land Use Development Code Update Ordinance pertaining to Impact Assessments for Large Format Retailers (Ordinance No. 672) (Public Hearing) – Unified Retail Development needed to be defined between first and second reading. The attorney gave his recommended definition which staff wasn't happy with so they have been working with the attorney to further define it and Mark handed out what they had come up with but still thinks it needs some work and should be continued to a Special Meeting before the moratorium ends. Before talking about continuing this Mayor Aragon opened it up for public comment.

Jim Whitley of Mclachlan & Whitley, LLC representing the owners of the Saw Mill Property handed out some letters and attachments to the Council. They feel that they

should be exempted from Ordinance 672 entirely due to their progress on their property and prior meetings that were held in regards to their property. They also think a continuance is appropriate so they can evaluate the new language. They believe this ordinance could possibly devaluate their property value by as much as $8 million.

Jeff Knuckles is the owner of the Saw Mill Property and stated the variance language discussed earlier isn't in the ordinance. Then he asked if the Conditional Use permit process could be added to allow the financial aspect of the situation. The variance process doesn't look at the financial aspect. They have already spent over $1 million on analysis, assessments, and clean ups and already went through the planning and zoning process back in 2002. They are trying to avoid the same look as the West side of town.

Councilmember Middendorf asked Mr. Knuckles if the basis of his request for an exemption was based upon previous assurances made to him by the town, as suggested in his letter to the town board dated September 1, Mr. Knuckles answered, "No." Instead, Mr. Knuckles stated that he felt that the ordinance was unfair specifically to him due to the size of his 111 acre property located on the corner of Hwy. 84 and U.S. 160. Councilmember Middendorf then stated that thinks that it is unreasonable to let one land owner sway the decision of the Town Council and that he thinks this should be acted on tonight.

Councilmember Middendorf moved to approve the 2nd reading of Ordinance 672. The motion died for the lack of a second and Councilmember Middendorf asked that the minutes reflect that. Councilmember Holt moved to continue this until a Special Meeting on September 14, 2006. Councilmember Cotton seconded and with 4 ayes the motion carried.

2. Second Reading of the Land Use Development Code Update pertaining to Design Guidelines and Criteria for Large Format Retailers Ordinance (Ordinance No. 673) (Public Hearing) – Mayor Aragon opened this up for public comment. There was no public comment. Councilmember Middendorf moved to approve the 2nd reading of Ordinance 673. Councilmember Holt seconded and with 4 ayes the motion carried.
3. Second Reading of the Land Use Development Code Update pertaining to the Definition for Measuring Building Height (Ordinance No. 674) (Public Hearing) – Mayor Aragon opened this for public comment.

Sean Thompson stated that the mansard roof part doesn't make sense as written. By consensus of the Council they changed Section 21.1.6 (67.1) (b) by deleting (iii). Councilmember Middendorf moved to approve the 2nd reading of Ordinance 673 with the previous change. Councilmember Cotton seconded and with 4 ayes the motion carried.

4. Scanga Property Complaint and Summons Update – This is a weak case according to our legal counsel and they are hoping for a dismissal.
5. Pagosa Pregnancy Center Impact Fee Waiver Request – We need to come up with deferral criteria and staff will investigate this and let the Center know we are looking into this.

6. Seeds of Learning Property Lease and Site Improvements – Lynn Bridges and Mark have been working together to resolve the ground lease language and have been running the changes past the sub committee. The only remaining issue is the 120 day payment provision and this can be worked out. Councilmember Holt moved to approve the Seeds property lease allowing staff to make the adjustment so it is equitable but not so limited in scope and to recognize Mayor Aragon to sign the documents and also for the Mayor to sign the confirmation with DOLA. Councilmember Middendorf seconded and with 4 ayes the motion carried. Seeds of Learning thanked Mark for his work in helping to get this done and also introduced Cynthia Mitchell as the new Board President.
7. CMAQ Projects Update – Cemetery Road is under construction and on schedule. As soon as it is done they will start on Great West Avenue.
8. Enhancement Projects Update – There will be a pre conference meeting tomorrow on the Riverwalk Project. The lowest bidder couldn't bond, but CDOT waived that requirement for us so we will finally get rolling on this. The retainage will double and we will follow this project closely. We are still working on obtaining clearances for our pedestrian bridges.
9. River Restoration Project Update – We owe a response to the Army Corps but are waiting on the attorneys comments.
10. Downtown Master Plan Update – The final draft should be ready for adoption by the end of September.

Department Head Reports:

1. Manager's Report: Sales tax is still up, 16.36% year to date.

Councilmember Cotton moved to approve the bills. Councilmember Holt seconded and with 4 ayes the motion carried. On a motion duly made the meeting adjourned at 8:10 p.m.

Ross Aragón
MAYOR

TOWN COUNCIL WORKSHOP MEETING
September 11, 2006 12:00 p.m.

The following Council Members present: Mayor Aragon, Councilmember Cotton, Councilmember Holt, Councilmember Middendorf, and Councilmember Simmons.

#1 Discussion of Ordinance 672 (continued):

Town Planner T. Allen put Legal Council Bob Cole on speaker phone while discussing Ordinance #672.

The Town Council wishes to amend the Land Use and Development Code to add Section 21.4.14 requiring large retail development permits for the development and use of retail developments of 40,000 sq. ft. or more but not more than 100,000 square feet "Exhibit A" in its entirety and by this referenced ordained.

Page A-1 – Works Definition – Re-words definition- Unified Retail Development.

Mayor Aragon opened the workshop to open discussion. Councilmember Cotton said he had no problem with the amendment, it is better then it was. He may not understand it in entirety. He felt it allowed people with a lot of acreage to master plan. All Council members agreed it covers what it needs to.

Jeff Knuckles- (Developer) does not read it the same way the Board does. Knuckles felt that the City Market would not fit in now if it was written this way when they were building. He feels there needs to be more clarification on (2) B. Maybe do away with (B) and still have interior road system. Knuckles didn't feel it was necessary. Councilmember Cotton said maybe "B" could be refined to "privately maintained" as suggested and intended by Bob Cole. Holt felt within a single lot is fair.

There was further discussion from Legal Council Bob Cole explaining how the language in the definitions could be clarified.

Mayor Aragon felt in all fairness, he asked for public comment. Angela Atkinson felt language could be re-worded to accommodate specific needs. Ordinance needs to meet objectives.

Legal Council Cole advised there needs to be merits in evaluating unified development. Utilizing common privately maintained roadway structures. John Hundley questioned Legal Council on whether master planning or developing single lots was the best option in his opinion. Bob Cole stated both have advantages.

Mayor Aragon advised time was running out and Jeff Knuckles stated his development should not be subject to this ordinance anyways because of prior approval and mentioned potential litigation. Councilmember Simmons advised Knuckles that a variance was specifically built into the ordinance and would take care of these issues. Knuckles final thought for the Board asked them to consider increasing square footage to 135,000 for one building and then he would be satisfied.

Town Planner Allen suggested to make revisions on 2A and 2B if need be, pending review between now and Thursday.

Mayor Aragon advised Knuckles that the town is trying to appease a lot of people. Knuckles felt the rules are being changed and expressed his concern. The Board thanked Knuckles for attending the meeting.

#2 Historic Preservation Board Ord. No. 666, Article 14 of the Land Use Development Code Discussion:

Town Planner Allen is preparing for Thursday meeting regarding designating land mark property. (Pinewood Inn) Shari Pierce prepared additional information regarding this property for councilmember review. Councilmember Holt questioned the Board's authority on designating historic landmarks. Town Planner Allen advised there will probably be a large attendance on this matter for the meeting. Allen asked the board to call her if they have any questions.

Mayor Aragon asked input from Council. He went with the Forest Service people to restore a tree in the forest that had an inscription "Kit Carson" 1858 or 1859. Mayor Aragon asked permission from the Board to take the tree to Fred Harman Museum and have Harman find out if it's authentic. The Mayor got the consensus of the Council to do this.

Work Session adjourned at 1:10 p.m.

Ross Aragon
Mayor

Thursday September 14, 2006

The Mayor called the Special Meeting of the Town Council of the Incorporated Town of Pagosa Springs to order at 5:30 p.m. with the following answering roll call:

Mayor:	Ross Aragon
Council Members:	Cotton, Holt, Middendorf, and Simmons

1. Discussion of Ordinance 672 (Continued): Unified retail development needed to be refined and we needed to add the variance process. We discussed this at the 9/11/06 work shop and staff added the recommended changes. The moratorium expires on 9/15/06. Mayor Aragon opened this for public comment.

Jeff Knuckles is the owner of the Saw Mill Property. He believes and it is their legal position that they should be exempt from this ordinance due to prior proceedings they have had with the town. He read the letter he submitted at the 9/5/06 meeting out loud. This property was annexed in 2002 and went through public hearings and staff scrutiny then. They relied on insurances at those meetings that they could develop the property as it was zoned at that time. If this is just about size why isn't this ordinance also dealing with manufacturing and industrial sites? He believes that they would have to pay over $3 million on impact fees and stated that no one will invest that kind of money for a 100,000 square foot building and he believes those fees alone will detour development and building in Pagosa Springs. He also believes that if this ordinance passes it will take a long time before we see development again. He showed the Council the street and block plan that was approved through the town's process. He believes that under these new rules they couldn't even duplicate the Country Center Complex and on a much larger piece of property. This also takes away the ability to build a spec building. No one is going to invest $4000 to $5000 to go through the variance process with no guarantees. He asks that the Town Council either not approve this ordinance or to exempt their project from this ordinance or there will be litigation.

There was no other public comment so it was closed. Councilmember Holt moved to approve the 2nd reading of Ordinance 672 as amended and changed on 9/11/06, which is the ordinance in front of us this evening. Councilmember Simmons seconded and with 5 ayes the motion carried.

2. Historic Preservation Board Findings Regarding the Pinewood Inn: Tamra gave a brief review of Ordinance 666. The Pinewood Inn is located at 157 Pagosa Street and has a potential buyer, who has a request to make the deal go through. The buyer would like a 3 year non-revocable demolition permit for the property. The Historic Preservation Board met on 8/31/06 on this and found that the Pinewood Inn meets 7 of the 11 criteria so they concluded 2 structures on the property have historic significance and recommends that they shouldn't be allowed to be demolished.

Charles Craig is the current owner/operator of the Pinewood Inn. He bought it in May of 2004 and has lived on the premises and operated the Inn since then. He decided to get out of the lodging business and started looking for a buyer in May of 2006. He found a house he wants to buy in Arkansas and is under contract to close on it shortly after he is scheduled to close on the Pinewood Inn. The potential buyers are interested in the land and not necessarily the current buildings or business. Mr. Craig submitted two letters for the record. He stated that if the Council decides that the buildings can't be demolished the buyers will back out and it will keep him from retiring. If we declare every building historic there will be no more development in the downtown area. He doesn't see any real historic value to the house on the property. It has become increasingly more difficult to operate the Inn at a profit especially in the last 8 months. He as the current owner does not give permission for the buildings to be declared historic. If he is prevented from retiring and forced to continue to run the Pinewood Inn he would no longer sing praises of this town since he would be held here against his will. There will be a court battle if he is not allowed to do what he wants to do. They would like a 3 year non-revocable demolition permit and would like a decision be made tonight. This is a time sensitive issue due to a closing date of 10/23/06 on the Arkansas property. The Pinewood Inn is tentatively closing on 10/17/06. This also affects the gentleman and lady trying to sell their house in Arkansas. They are desperate to sell their house for health reasons. He would be willing to give the buildings that met the historic criteria to the town, but they would have to move them. He thinks the house could be used as a battered women's shelter and that this would be a win-win situation.

Herald Kelly is the potential buyer and he would also agree to the donation of the house and would put it in the real estate contract. The reason he is asking for a 3 year demolition permit is because he doesn't want to be forced to do something in the near future. The economic cost to rebuild the buildings they want to preserve is phenomenal. He cannot incorporate the two buildings into his future development. He will not close on the property until he knows what he can do.

Shari Pierce of the Historic Preservation Board said that according to their ordinance the people who have lived there were important to town. The motel itself is also important to Colorado history as a classic motor inn. We only need property owner consent if they are looking for a landmark designation. If the buildings are moved they lose part of their historic significance, but that is better than demolition. She personally has concerns with a 3 year demolition permit when current ones are only good for 90 days.

Steve Vail is the owner/operator of Wolf Creek Interiors and Rising Wolf Computer Systems. He believes that there is no cost effective square footage in this town right now. It seems that people are trying to stop economic growth and are against retail development in Pagosa Springs. He believes in historic preservation but fair is fair it needs to be a consideration but not the only and prime one. The fear of Wal Mart shouldn't give us anti growth and anti quality of life.

Shari Pierce said it is not the purpose of the Historic Preservation Board to stagnate retail growth, and then she read their mission statement.

David Cammack is the realtor for this property and stated that we have lost income as a result of multiple dirt lots throughout the community. He assured the town that this won't happen in this case. Maybe the town could put a time limit on when construction has to start after the demolition. Mr. Craig has mentioned that the business is falling apart and it won't/can't generate anymore income from the property.

Charles Craig said his business isn't falling apart but it won't be too long before he is in the red as profits are steadily decreasing.

Susan Ward of the Historic Preservation Board thinks we are in danger of seeing things in black or white. There are ways to incorporate historic structures into a development; they just need a creative development plan. Think outside the box.

Jack Morgan wanted to know what was historical about the building. Tamra explained the criteria in the HPB Ordinance and the Land Use Development Codes, and then stated that the buildings met 7 of the 11 criteria. Mr. Morgan then stated that we fought for the right for people to own land and to sell their own land. He wants to know how government got so much power.

Brianna Jacobson thinks it is a win-win situation if they do donate the house and thinks that getting rid of the motel units would brighten up that end of town. She would help work on finding someone to donate land to put it on.

J.R. Ford stated that people are missing the point, a few years ago we started looking at the future of town and where we want to go. There will always be buyers so let's take the time to study this and do it right. He would like to tear the Hersch Building down to because it costs a lot of money to maintain but he believes in Historic Preservation. Let the HPB work through their issues while there is still a moratorium, and then let the community decide if it is important to us.

John Hundley stated that the vacant lots downtown are due to things getting continued or being put off in favor of a higher level and more sophisticated level of historic preservation and this shouldn't keep someone from selling their property.

Shari Pierce said that Ordinance 666 was passed on 4/5/06 and didn't swoop in and try to prevent Mr. Craig from selling his property. He put his land for sale in May of 2006 after the ordinance was already in place.

Herald Kelly said that if the buildings are declared historic and you try to go for the tax breaks they tell you what colors to use all the way down to what types of doors and windows you can use. He does not want to deal with this and does not want to be historically designated. He wants the 3 year non-revocable demolition permit, and then he will go by all the planning processes and criteria. He will put in writing the donation of the buildings.

Mark Weiler believes in historic preservation but asked if it is economically viable to do it as the buildings become obsolete and unusable. Private property owners are becoming responsible for the public good and that might not be the right direction to go in.

David Brown knows that this is a difficult job the Council has in front of them and he supports historic preservation. He stated that all the buildings that they took down were examined and the structure reports said they couldn't stand for 50 years. Foundations are falling apart. Does the town want viable, healthy growth with economic vitality? We can't do that with these old buildings, we just spent $300,000 remodeling the Alley House because it couldn't be moved. He would like a clear direction on do we want economic growth that can be supported or not.

The Pinewood Inn is not currently in the Historic District. The Historic Preservation Board is recommending that 2 structures on the property be preserved. Mr. Kelly would donate both structures to the town.

Councilmember Middendorf thinks there are creative ways to deal with this. One way is to expand the incentives to more than just tax breaks, which most developers don't seem to care about.

Councilmember Holt stated that Ordinance 666 says no destruction of buildings over 50 years old unless there is not any historic significance. The HPB is saying there is historic significance. He thinks donation of the structures and moving them to a town property is a win-win situation.

Councilmember Simmons asked approximately how many downtown commercial corridor buildings in the business district are over 50 years old. HPB said approximately 15 most of which are in the East Village area.

Councilmember Cotton stated that Ordinance 666 was a stop gap to the current HPB Ordinance that is being reworked. By the criteria he believes that it is a people thing and not a building thing. From his perspective he doesn't think it is historic because it has been remodeled so many times. You can't preserve things like that and move forward and be viable. He would not deem this a historic site.

Susan Ward said that the interior of the house is unique and if it could be restored and incorporated in the development it would be a win-win situation. You can't build history it comes with time.

Councilmember Middendorf said that it is up to the HPB to determine if something is historic or not. He still thinks we need to expand incentive to encourage people to want to keep historic buildings. He doesn't think it is the Council's place to keep property from being economically viable. Current incentives are just not enough.

Michael Whiting stated that incentives are right on the money. The question is about money and economic viability. If it is important to a community to preserve these

buildings then the community needs to step up with the money to help do so. You can't expect the property owner not to be able to keep the property economically viable.

David Brown do we want to keep growing out to the west and east or recreate and make a new viable downtown, which you can't do with old buildings. It is a matter of vision for the community.

John Eagan thinks we can find creative solutions and sees this as an opportunity to preserve history and help business owners.

Councilmember Holt said that there is a reason for the HPB and we have entrusted them to do what they do. The only way to give a demolition permit is to deem them not historic or to repeal Ordinance 666.

Mark made a suggestion that the Council and HPB work through the criteria together before making a decision.

Tamra stated that is why the ordinance is in place so they can rewrite the criteria and to incorporate the Comp Plan and Downtown Master Plan.

Councilmember Cotton moved to have a work session on this next week with the Historic Preservation Board and the owner and potential buyer of the Pinewood Inn to find out what we can and can't do. Councilmember Holt seconded and with 5 ayes the motion carried.

3. Willingham Conditional Use Permit Review: Mr. Willingham has a potential buyer for his property so the Planning Commission will probably be seeing a request for some modification in the Conditional Use Permit.

4. Any other Business that may come before the Council: The County wanted to discuss their up coming ballot issue at our October meeting. Mark thinks it is more appropriate to have a work session for this and to discuss multiple other things. The work session was set for Thursday September 28, 2006 at 12:00 p.m. in the Southwest Conference Room of the Community Center.

Councilmember Cotton moved to adjourn the meeting. Councilmember Middendorf seconded and with 5 ayes the motion carried. The meeting adjourned at 7:46 p.m.

Ross Aragón
Mayor

Town Council and Historic Preservation Board Work Session
Thursday, September 21, 2006 at 5:00 p.m.
Community Center South Conference Room

Present: Mayor Aragon, Council Members: Cotton, Holt, James, and Middendorf
Hist. Pres. Board: Shari Pierce, Betsy Carpino, Susan Ward, and Glen Raby

Discussion of Criteria for Designation of Local Historic Landmarks:

Mark stated that the HPB was here to meet with the Town Council to work through issues with the HPB criteria and on Ordinance 666. Mayor Aragon said that we were going to keep this meeting to 1 ½ hours. Shari Pierce stated that their criteria is in line with other communities throughout Colorado, and she would like the time to work through the process. She sees there being a problem giving a 3 year non-revocable permit because it puts it onto future Town Councils. The adoption of new criteria or a new ordinance before April 1, 2007 will include the public process. We are still waiting on word from our attorney to see if a 3 year non-revocable demolition permit is ok to give.

HPB wants to uphold Ord. 666 to allow them time to work through the process of coming up with a new ordinance and fixing their current criteria. Ord. 666 expires April 1, 2007. Mr. Kelly is afraid of buying property (Pinewood Inn) then having a Historic Overlay District be put on him and then he will not be able to do what he wants to the property. He plans on running the motel for approximately 2 years then wants to demolish buildings to develop property. Wants to wait to develop until he is in the financial condition and Pagosa is in the economic position for an upper end hotel. He is willing to follow town regulations and criteria to build/develop what ever they are in three years to five years depending on when he develops. Susan Ward asked if they allowed center building to be demolished and bringing other building down to what it used to be, could that be a compromise? The house on front of building can be restored and can be tied into the development. There are multi uses the house could be used for it doesn't have to stay a residence.

Middendorf – currently on April 2, 2007 the building will be able to be torn down with a demolition permit from the Town of Pagosa Springs. If and when they come up with more stringent criteria then that is when this request should be heard. Mr. Kelly wants more of a guarantee than that, and restoring that building is going to cost a ton of money since the building is not structurally sound. It would cost less to tear it down and rebuild the same exact things.

Susan Ward – you can't rebuild history. The wood, wall paper, etc. are part of what is historic. The timing for this project is just wrong for where we are in the reworking of the ordinance.

Mr. Kelly doesn't think these buildings are really historic and are not worth saving.

Mr. Craig's attorney thinks economic viability and economic hardship should be added as criteria of Ord. 666 to allow someone the process to still obtain a demolition permit. They believe this would be a compromise and that they could show that this property is not economically viable and that Mr. Craig can show an economic hardship.

Susan Ward – Pagosa just got a Preserve America Award and now you are talking about tearing down on of few "antique" buildings on our main street.

Holt – if Town of Pagosa Springs is serious about Historic Preservation we have to be able to take an active part and be willing to give financially. He also likes the incentives approach. He offered this compromise to give him a demolition permit that becomes valid on October 1, 2008 (issue to Mr. Craig then transfer to Mr. Kelly) then they would agree that the Town of Pagosa Springs will have the ability to move any and all buildings before demolition at no expense to the owner. Then that gives the town time to figure this thing out, and hope he may incorporate them in the development plans if we can come up with some good incentives. Precedent setting is a little disturbing and we can't handle too many of these kinds of settings.

Betsy Carpino – thinks if they are moved the owner should have to incur some cost at least the cost of demolition.

Shari Pierce – Holt's proposal is not protecting those buildings, only saving them for 2 years.

Cotton – Have to be careful when you start putting demands on property owners and if we want to save these buildings someone has to put up money to do so. Some property owners can't afford it. He thinks Stan's idea has merit.

Mayor agrees with Cotton and Holt.

Middendorf – moving these buildings could be a can of worms, because of cost of moving building. Thinks we wait until we change Article 14 of Chapter 21 of the Land Use Code before we go to Stan's suggestion. Doesn't think we should be proactive on a law that doesn't exist. We can come up with incentives that will be beneficial to property owners and developers. Can we also add some guaranteed incentives to the compromise to try and make it more desirable to keep the buildings on the property?

James - thinks that Stan's suggestions seem to be the most viable. Our town is of historical significance and if we keep removing buildings of historic value that people come here to see can also affect us economically. Plus she hates seeing buildings moved off of sites since they lose historic significance. What ever we decide tonight we are going to set precedence.

Mark said that there are multiple different incentives that we can generate to add to this compromise rather quickly.

Cotton thinks just go with Stan's suggestion and then you have two years to come up with the incentives instead of just doing it over night. Also we need the private sector to come up with some dollars to help with this, we can't put this totally on the property owners.

4 out of 5 Council members agree to work towards Stan's suggestion for approval at our Regular October Meeting.

Adjournment 6:34

TOWN COUNCIL WORKSHOP MEETING
September 28, 2006 12:00 Noon

The following Council Members were present: Mayor Aragon, Councilmember Cotton, Councilmember Middendorf, and Councilmember Holt

Absent: Council members Simmons, Whitbred, and James

County Commissioners present: Comm. Shiro, Zaday and Egan

County Topics:

November Ballot Measures: 27% of the Counties revenue comes from Property Taxes, which is not keeping pace with demands in growth. The County is proposing a ballot measure 1A in order to stabilize property tax at the current rate and also to stabilize the mill levy. The Counties commitments consist of (4) Road Maintenance 40%, Parks, Recreation, Open Space and Trails 20%, Facilities 20%, General County Services 20%. Out of 64 Counties only (2) have not de-bruced. The Archuleta County Commissioners want no re-occurring cost projects.

Transfer of Development Rights: A way to preserve open space. The County will hold a joint meeting to create a steering committee and develop a system of keeping records. The County will be working with Town Planners and will draft an intergovernmental agreement to move forward.

Annexations: The County thanked the Town on recent annexations. A definite point of interest as far as what they want to see. Good working relationship is important.

Planning: Again, the County appreciates the good working relationship with the Town. The County advised they need a community plan update creating documents that address Town/County Joint issues. Each Board needs to know what is going on. Having meetings on a more regular basis is a good idea.

Town Manager Garcia feels there is a need to work on transportation planning. There are critical corridors and we need to approach them as unified planning. A plan needs to be completed and a meeting with CDOT would be good in order to see what they want to plan for. Comm. Zaday advised that the Bus System also needs help in transportation issues. Councilmember Holt feels there is a need for long range planning on transportation issues to accommodate the town and county needs. Comm. Zaday asked if any employee or Councilmember would be attending the Regional Forum.

Town Topics:

Facility Plans: Mayor Aragon advised he appreciates being able to have a good working relationship with the county. Mayor Aragon did express his concern to the Commissioners for having met with them earlier in Feb. of 2005 regarding the property known as the old CDOT property by the Library. The Mayor felt it was emphatic that the Commissioners did not get back with the town in regards to what they planned to do with this property. Comm. Zaday advised the Mayor that they did direct their staff to get an appraisal on the property and finally received it approximately 6 weeks ago. Comm. Zaday assured the Board that they did not brush this under the table. The Mayor plead with the County to give the town a shot on their plans for that property. Comm. Egan advised that the town/county can both improve in general communication between them.

Town Manager Garcia advised the County of the town's 2007 break ground waste facility, and working on Parks and Recreation strategic plan on a new recreation facility. Garcia asked Commissioners what their relocation plan is. Robert Campbell advised that when he first got here, he looked into the architect studies done for the County back in 1999, nothing progressed. The County was not sure if they wanted facilities in one location at that time, but the consensus was to staff a campus to include all facilities in one location.
The County is focusing on (2) locations. One location being a site at the intersection of 160/84 Mtn. Crossings or Two a 10 acre parcel across the street. Town Manager Garcia asked about the property located across from Town Hall. County advised property could possibly used for Meeting rooms, Cultural Arts or even an Education Facility. Mayor Aragon advised County that the town is interested in this property. Councilmember Holt advised that the town does not want to see the County put up a for sale sign and to please take into consideration the town's interest in this property.

Affordable Housing: Town Manager Garcia advise that, Ex-Commissioner Lynch was a member on this board. Comm. Egan has been named to replace Lynch. Garcia feels both the Town and County need to contribute financially to bring paid staff on and working for affordable housing. County advised this was also high on their list to consider this issue. Garcia felt we should hire a full time staff person to work with developers maybe with a salary in the range of $50 to $60,000. (Split between town and county).

Commissioners and Council members agreed it was a good idea to establish a board to get things running. All agreed to get to next level. Councilmember Cotton asked Commissioners if they would commit to financial support. Commissioners advised they would make it a priority in their budget. Special Project Coordinator's need to develop a job description and try to budget for this position.

Large Format Retailer Restrictions: The Town passed this Ordinance and Garcia asked the County if they were going to move forward as well. Alvord and Zaday advised that County is working on something compatible. They are working on the discussion period. Comm. Egan commended the Town for their work on this matter.

Business Licensing: The Town has established business licensing which was brought on mainly by the Fire District. Comm. Zaday informed the Board that this was also on their

list to do, but they would let the Town work out the bugs and then they'll jump into it. Zaday advised they have been working on changes in Staff being a higher priority.

Town Manger Garcia wanted to add that in the past there was an oil/gas use tax issue which failed miserably and the County might be interested in resurrecting this use tax.

Councilmember Middendorf asked how forming a regional government is initiated. There was some discussion on pros and cons of this issue.

Meeting adjourned with County Commissioners at 1:30 p.m.

Comm. Egan asked if Steve Vale could speak to the Boards briefly on a letter to the editor regarding a Community College.

Any other Business before the Board: Harold Kelley was present regarding his issue on his buildings @ Pinewood Inn. Mayor Aragon advised there would be a meeting regarding this issue on Monday, October 2, 2006 at Noon. There was discussion regarding Bob Cole's letter advising of the difficulties with the 2 year moratorium also in conjunction with the building code. After further discussion it was decided that Mr. Kelley establish a plan to work out a contract between himself and the Town and present it on Monday at the noon meeting to work out an amicable solution to this house.

Town Manager Garcia advised Town Council that in their Agenda packet for the October 3, 2006 Town Council regular meeting, there is Agenda Item #7 a draft Ordinance regarding a membership makeup. Amending the P.S. Municipal Code to revise Planning Commission Members and terms of office. This is rotating Council members on the Town planning commission board and developing (2) alternates also. Mayor Aragon has been serving on this Board for quite some time.

Meeting adjourned at 2:20 p.m.

Ross Aragon
MAYOR

Town Council Work Session 10/02/06 at 12:00 p.m.

Roll Call: Mayor Ross Aragon, Council Member Darrel Cotton, Council Member Tony Simmons, Council Member Bill Whitbred, Council Member Stan Holt, and Council Member John Middendorf
Absent/Excused: Council Member Judy James

Pinewood Inn Discussion (Continued) - Mayor stated that he offered to Mr. Kelly in the past to try and get to a workable solution and find a compromise between HPB and the Pinewood Inn. If they are open to the town purchasing the property. There could be grant funding available to pursue this acquisition. The town shouldn't be responsible to fund out of the town budget since could set a bad precedent, but we need to act as a lead agent. He has been assured there are grant funds available for this kind of project.

Mark met with Mr. Kelly, Mr. Darling, and Mr. Craig to discuss the town buying the site and being responsible for restoring also worked with Mr. Kelly about possible future issues. Talked about a 10 year time frame for not being put in a Historic District. We did not talk about any purchase price. Also talked about approved plan being in place before any demolition. Width of property is 1 lot wide and would give 8 ft setbacks on east and west sides. Existing front setback is 10.8 feet then if added 7 ft to back of bld. would have lot depth of 55 feet. $104453.00 would be approximate purchase price using Mr. Kelly's purchase price and backing out for the amount of land we would buy. There are many ways we can negotiate to buy this property, cash, waiving of fees etc.

Cotton – 2200 sq ft bld. would require how many parking spaces? Sees this as a problem, we need to accommodate so we don't violate own regulations. Where is money going to come from, we are talking significant dollars and they should not come out of city coffers.

Mr. Kelly – His funding sources are concerned if we are pro development or not. He will decide by noon tomorrow whether to close on this project or not. There are still too many uncertainties and things up in air.

Mayor still likes Stan's suggestion of giving a two year time period to work things out. Stan went over his suggestion again and but its main point is that the developer wanted a for sure demolition permit. This would give the town time to come up with money to purchase and restore or move etc. Our attorney wasn't in favor of this idea though. Mark went over the attorney's issues with the Council. There are still ways to give a demolition permit without violating the current 180 day program.

Shari Pierce – Has problems with giving him 10 years to not have to go into a historic district overlay. If the 2 buildings being talked about are taken care of then he should have to play by same rules.

Holt – If can waive fees to apply towards purchase price would be a little more palatable then just having to come up with cash.

Mark can establish base price to work from then negotiate a final price incorporating all of our options.

Cotton – Fee waivers are the same as cash so thinks we have to be careful with doing that. Thinks this is dangerous and is opening up a can of worms when it becomes that subjective as to what is historic and what is not.

Simmons – agrees with Cotton in this case but thinks incentives for keeping historic buildings are a separate issue.

Shari – can he just put that piece of property up for sale to the public since that is a really good price for that property?

Cotton – still likes Stan's idea, if we can't come up with grants or funding in two years then he gets to tear it down.

Mayor feels that town has to make this commitment and take the 2 years to work on this and then it is up to us.

Tamra stated that grant funds are usually not awarded until you actually have ownership so you really need to have ownership to apply.

Whitbred – Wanted to see structural report since has missed some of the previous meetings. Since this has been remodeled so many times should it still qualify? He sees an extremely large expense; it needs a lot of work. Has a tough time with the fact that they are even considered historic buildings.

Simmons – scared that we are going to end up with only 3 historic buildings left in our community if we keep allowing buildings that are marginal keep getting torn down.

Mayor there are ways to make this work even if we don't "own" when applying for grant funds. We just need to make a commitment one way or the other.

Cotton – Still thinks we should go with Stan's suggestion then have two years to figure out what is going on. Thinks it also needs to be done contractually.

Mayor asked Shari if the HPB would be willing to help with trying to get grant funding. She said yes but still has a problem with them having the possibility to tear down after 2 years.

Mark asked for direction in drawing up the contract and where the Council wanted to start procedure.

By consensus the Council is committed to this project and tries to find funding to buy the property. If we can't find money then Mr. Kelly gets it back and can do with it what he needs to. He can also sale it to the public sector if he can and that will be in the contract.

Pagosa Hills Project Concerns - Brought copy of plat for Pagosa Hills 3 and 4 along with copies of covenants to prove they are a subdivision and home owners association. They have issues with new development coming in and causing impacts and safety issues on Rainbow Drive. Developer is claiming that this was recorded incorrectly and the lots being looked at are not part of Pagosa Hills subdivision, and that the covenants have been expired for many years. The Planning Commission has charged the developer with proving these statements are true and to date they have not come up with any evidence. They also have a problem with the proposed densities for those lots. They are going to discuss this more with staff and give the developer a chance to be able to answer some of the questions being asked. Rainbow Drive is a County Road and they need to be involved also. This will be coming to the Council at tomorrow nights meeting.

The meeting adjourned at 1:37 p.m.

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TOWN COUNCIL MEETING MINUTES
TUESDAY OCTOBER 03, 2006
5:00 P.M.

I. CALL MEETING TO ORDER Roll Call: Mayor Ross Aragon, Council Member Darrel Cotton, Council Member Bill Whitbred, Council Member Stan Holt, Council Member John Middendorf, Absent/Excused: Council Member Judy James

II. APPROVAL OF MINUTES - MINUTES FROM SEPTEMBER 5TH, 11TH, 14TH, 21ST, AND 28TH, 2006 were approved as read.

LIQUOR LICENSES

Ramon's Restaurant, LLC – Liquor License Renewal Request - Motion: to approve Ramon's Liquor License Renewal, Action: Approve, Moved by Council Member Bill Whitbred, seconded by Council Member Darrel Cotton. Motion carried by unanimous roll call vote.
Yes: Mayor Ross Aragon; Council Member Darrel Cotton; Council Member Bill Whitbred; Council Member Stan Holt; Council Member John Middendorf

IV. DELEGATIONS:

1. Cruise-A-Thong Representatives – Ben Witting & Angela Atkinson - This was an almost hardcore triathlon. The purpose was to raise money for the Riverwalk; they raised $520 that they are donating to the town for the Riverwalk. Mayor Aragon thanked them on behalf of the town.

Jack Morgan – read a letter of concern Asked for Council to put themselves in his shoes as he was reading.

V. NEW BUSINESS

1. REVIEW OF DESIGN REVIEW BOARD, BOARD OF ADJUSTMENTS AND PLANNING COMMISSION ACTIONS FROM SEPTEMBER 19TH, 2006 MEETING

a. 295 Lewis Street Conditional Use Permit Request – Wants to convert home into a vacation rental and also rent apt on short term basis, staff received one letter of concern regarding this. Staff has found application compliant with criteria noting that there are 2 contingencies. Opened to public comment, none. Motion: with contingencies and reviewed after one year, Action: Approve, Moved by Council Member John Middendorf, seconded by Council Member Darrel Cotton. Motion carried by unanimous roll call vote. Yes: Mayor Ross Aragon; Council Member Darrel Cotton; Council Member Bill Whitbred; Council Member Stan Holt; Council Member John Middendorf

b. Whispering Pines Phase 11 Townhome Rezone Request – Staff found project to be in compliance, The Planning Commission has reviewed this and recommends approval with contingencies. Open to public comment, none. Motion: with contingencies, Action: Approve, Moved by Council Member Darrel Cotton, seconded by Council Member Stan Holt. Motion carried by unanimous roll call vote. Yes: Mayor Ross Aragon; Council Member Darrel Cotton; Council Member Bill Whitbred; Council Member Stan Holt; Council Member John Middendorf

c. Whispering Pines Phase 11 Townhomes Planned Unit Development Preliminary Plan Review – This is for 49 multi family dwelling units. Staff found the project to be in compliance and the Planning Commission has reviewed this and recommends approval with contingencies. Opened to public comment, none. Motion: with contingencies, Action: Approve, Moved by Council Member Stan Holt, seconded by Council Member Darrel Cotton. Motion carried by unanimous roll call vote. Yes: Mayor Ross Aragon; Council Member Darrel Cotton; Council Member Bill Whitbred; Council Member Stan Holt; Council Member John Middendorf

d. Square Top Circle Road Vacation Request (Ordinance No. 682) – Vacate 275 ft of Square Top Circle the Planning Commission has reviewed this and recommends approval with contingencies. Opened to public comment, none. Motion: 1st reading, Action: Approve, Moved by Council Member Darrel Cotton, seconded by Council Member John Middendorf. Motion passed. Yes: Mayor Ross Aragon; Council Member Darrel Cotton; Council Member Bill Whitbred; Council Member John

Sanitation District Meeting was called to order at 7:25 p.m.

Approve minutes of 9/5/06 as read.

Supervisors Report – Influent is okay, actual BOD processing still really well. Discharge still really good except for ammonias, right now there seems to be no reason why it is not working well. We need to really get going on our new treatment facility. We don't want to invest a bunch of money on our current facility unless it is necessary, with our current plant we won't be able to use it in our new plant. Patrick O'Brian -

New Treatment Plant – We have agreed to a location and a site now we are working on cost estimates. Patrick estimates that it is going to be about $2.6 million just to extend the pipeline to the new site. This may be a show stopper there, this is the final part of our negotiations if it is a stopper we will move right back up to using our current cell one. We still plan on breaking ground in 2007. We also hope to get a public works director on to help with this at some point.

Approval of Bills – Motion: Approve the bills, Action: Approve, Moved by Council Member Bill Whitbred, seconded by Council Member Stan Holt. Motion carried by unanimous roll call vote.
Yes: Mayor Ross Aragon; Council Member Darrel Cotton; Council Member Bill Whitbred; Council Member Stan Holt; Council Member John Middendorf;

Adjournment - Motion: 8:00 p.m., Action: Adjourn, Moved by Council Member Bill Whitbred, seconded by Council Member Stan Holt. Motion carried by unanimous roll call vote.
Yes: Mayor Ross Aragon; Council Member Darrel Cotton; Council Member Bill Whitbred; Council Member Stan Holt; Council Member John Middendorf

Ross Aragón, Mayor

Town Council/PSSGID Special Meeting
Wednesday, October 18, 2006
12:00 P.M.

I. ROLL CALL/CALL TO ORDER 12:03

Roll Call: Mayor Ross Aragon, Council Member Darrel Cotton, Council Member Judy James, Council Member Tony Simmons, Council Member John Middendorf

II. SERVICE ORGANIZATIONS 2007 FUNDING REQUESTS

Review service organizations 2007 funding requests:
Archuleta County Education Center –same
San Juan Basin Area on Aging – increase of $142
Silver Foxes Den – increase of $4,500
Mountain Express – submitted a letter to the council outlining their request for $30,000
Mental Health Center – same
Acute Treatment Unit - $15,000
Community Connections – increase of $84
Region 9 Economic Development District Dues – increase $11
Region 9 Transportation Planning Dues – same
San Juan RC&D Council – same
Club 20 Dues – same
Southwest Safe house - $100 increase
Archuleta Economic Development Association - same
CML Dues – increase of $153
9 Health Fair – same
Chamber of Commerce Dues – same
Archuleta Victims Assistance Program – increase $2,000
Clean Cities Program – N/A
Fiber Fest – increase $100-$600
Music in the Mountains – same
American Red Cross – N/A
Pagosa Arts Alliance – N/A
San Juan Basin Health – increase of $828
Archuleta Humane Society – N/A
Operation Healthy Communities – N/A

Mayor Aragon stated that town asked the Humane Society for a budget report last year and it was never provided. One of the concerns Mayor Aragon has with the Humane Society is that people wonder where the monies raised in fundraisers go – do they go to Humane Society operations or do they go to the thrift store? Mark would be talking to [the Humane Society] about that.

Council Member Simmons asked staff if a budget has been prepared for these requests. Staff replied that the budget has not been completed, and that part of his budgeting process was trying to gage from Council how much he should assign to each of these organizations.

Council Member Simmons also asked that if any other organizations were to request funding, would they be locked out of the budgeting process. Staff believes that that is a Council decision.

Staff would like some direction if the Council would like to hear presentations from organizations that are asking for increased funding request.

Council Member Simmons said that he would like to see a report from Crossroads Mental Health on how many actual patients come from the Town to see if we are contributing our fair share?

Council Member Middendorf asked If we are having a big jump in transportation, can we have more transportation through town and would like to have David Sedgwick present to the Council.

Council Member Cotton stated in regard to the fiber festival which is moving towards commercial enterprise, need to think if we need to continue to fund them. The last time they were funded was to get it started. Now they are successful and do we need to continue to fund this "commercial enterprise"

Council Member Simmons said that criteria should be created to evaluate festivals.

Staff asked if a figure should be passed on to Mark regarding the fiber festival request amount. Council said $500.

III. 1ST READING ORDINANCE NO. 681

Ordinance of the Town of Pagosa Springs amending the Pagosa Springs Municipal Code to revise planning commission members and terms of office.

Since the first reading, Bob Cole has outlined concerns with the council member rotation schedule in a memo to council. The ordinance before Council today reflects those concerns which are to remove the council member and just have a five member planning commission with two alternates.

Council Member Cotton asked what we are changing.

Staff replied the two sections that are changing is the make-up of the planning commission, and establishing the term.

Mayor Aragon replied that in speaking to the town attorney – one of the choices we could have is having a board member serve as an ex-officio and not vote on the planning commission. Another option would be to expand the planning commission membership by two – soliciting applications or making appointments. Some potential appointment would be Angela Atkinson, John Steinert, or Mark Weiler.

Motion: Approved first reading of Ordinance 681, **Action:** Approve, **Moved by** Council Member Darrel Cotton, **seconded by** Council Member Judy James. **Vote:** Motion carried by unanimous roll call vote.

Yes: Mayor Ross Aragon; Council Member Darrel Cotton; Council Member Judy James; Council Member Tony Simmons; Council Member John Middendorf

IV. 1ST READING ORDINANCE NO. 683 (REPEAL/READOPT ORD. 666)

An Ordinance of the Town of Pagosa Springs repealing ordinance No. 666 and temporarily suspending authorizations and permits for demolition, alteration, removal or construction or modifications to buildings 50 years or older

This ordinance includes issues of structural integrity and financial hardships that could seek exemptions from the moratorium. Included with this ordinance is Article 14 regarding historic preservation. Also included is the section on structural integrity and when that would apply for an exemption.

Council Member Simmons asked what would define economic hardship. Staff said that economic hardship is not currently defined and not included in the ordinance. Council Member Simmons asked if Bob Cole, town attorney, had any issues with no definition of economic hardship included in the ordinance. Staff stated that economic hardship is not currently defined in the Town's code, but staff has researched other communities' definitions of economic hardship and how they determine such. (Fort Collins and Glenwood Springs) Council Member Simmons asked if the town attorney had any concern leaving the definition wide open, and staff replied that he hadn't addressed it.

Council Member Cotton asked how extensive is the definition that staff has? Staff replied that the research that has been done included resale ability of the property and whether the property has created income for the property owner at that point in time. They research tax returns, etc. for information pertaining to each hardship case.

Council Member Simmons expressed concern because previous Ordinance 666 was viewed as subjective. No criteria to define economic hardship with current ordinance.

Council Member Cotton asked if Council pass it on first reading contingent on economic hardship criteria created. Staff felt that it would be a substantial change and may require another first reading, but legally they may be able to add those criteria and adopt the ordinance at the next meeting, at second reading.

Council Member Middendorf asked why Council is is repealing prior legislation and replacing with a weaker legislation? Council Member Cotton stated he believes its not weaker legislation, but the same legislation with a modification. The prior legislation was passed as an emergency ordinance not thinking about what was going to happen down the road. Now Council has stopped the sale of a property, and the town shouldn't be able to do that.

Council Member Middendorf stated that there is no substance to legislation that Council is considering. Council Member Cotton debated that council is not repealing but modifying current legislation. Council Member Middendorf stated that the only way the town can demolish a building currently is by denying recommendations of the historic preservation board. Council Member Cotton stated that Council should be making the final decision because it's a recommendation from a citizens group.

Council Member Middendorf said that current legislation is in favor of one individual. It's not a broad policy we are making, we are making exceptions.

Council Member Cotton asked Council Member Middendorf to define a significant historic event. Council Member Cotton said you can't define – it's subjective. The historic preservation board is passionate and should be. But anything they bring to the Council is biased – and it should be because that is why they are on the board. But the Council should bring some temperance to their recommendations.

Council Member Simmons stated that Town tells property owners what to do with there property all the time. This is not a special case. The question is what Council sets as criteria to tell those property owners what to do.

Council Member James asked if we could pass the ordinance contingent on defining economic hardship. With the definition be defined before the second reading.

Council Member Simmons stated that the Council adopted Ordinance 666 to give time to consideration of legislation on how to better define historic buildings and by modifying and adopting the current legislation, we won't being giving Council time to resolve these issues.

Council Member Cotton said if we can agree on an economic hardship definition then we are doing half of the criteria we are looking at adopting later.

Mayor Aragon entertained a motion to adopt Ordinance 683.

Motion: contingent on creating definition for economic hardship, **Action:** Approve, **Moved by** Council Member Darrel Cotton, **seconded by** Council Member Judy James. Discussion: Council Member Simmons asked staff how long it would take to define economic hardship. Staff said that additional time would be desired to pull together information.

Council Member Middendorf stated the principal of repealing ordinance 666 and replacing it with loopholes that are trying to help property owner tear down their buildings is not reasonable.

Vote: Motion passed.
Yes: Mayor Ross Aragon; Council Member Darrel Cotton; Council Member Judy James;
No: Council Member Tony Simmons; Council Member John Middendorf
Absent: Council Member Bill Whitbred; Council Member Stan Holt

A work session has been scheduled with the historic preservation board on October 20, 2006.

V. LEVINE/CATCHPOLE 5TH STREET ACCESS REQUEST

Kenny Levine addressed the Council, explaining his property in connection with the 5th Street ROW but it's in a ditch and needs improvements to access property.

There is an 80 foot easement on the school district property that is exclusively for the sanitation district.

Staff would like direction if further exploration is desired to facilitate right-of-way to Levine's property.

Consensus of the Council to go ahead.

VI. ANY OTHER BUSINESS THAT MAY COME FORTH BEFORE THE COUNCIL

VII. ADJOURNMENT

Motion: Action: Adjourn, Moved by Council Member Tony Simmons, none seconded. Vote: Motion carried by unanimous roll call vote.
Yes: Mayor Ross Aragon; Council Member Darrel Cotton; Council Member Judy James; Council Member Tony Simmons; Council Member John Middendorf
Absent: Council Member Bill Whitbred; Council Member Stan Holt

Town Council and Historic Preservation Board Workshop
October 20, 2006

Roll Call: Mayor Ross Aragon, Council Member Darrel Cotton, Council Member Judy James, Council Member Tony Simmons, Council Member Stan Holt

Historic Preservation Board: Brad Ash, Susan Ward, Betsy Carpino, Patty Baratti-Salani, Chrissy Karas, Shari Pierce, Glenn Raby

Demolition or Removal of Historic Landmarks

Structural Exemptions:

1. The structure must be demolished because it presents an imminent hazard to public health and safety.
2. The structure cannot be rehabilitated or reused on site to provide for any reasonable beneficial use of the property.
3. The structure proposed for demolition is not structurally sound despite evidence of the owner's efforts to properly rehabilitate and maintain the structure.

- Mr. Raby inquired who would be responsible for determining the structural integrity of an historic building, and would that fall in the realm of the building department.
    - Staff determined that even though the building department issues demolition permits, a third party consultant would conduct the examination of the building would provide the report for the application of the demolition permit.
    - Staff suggested selection of a qualified consultant should be someone who both the Town Council and Historic Preservation Board are comfortable with.
    - Ms. Ward suggested someone who has experience with historic preservation.
    - Council Member Cotton suggested someone with structural experience is adequate.
    - Ms. Ward pointed out that current building codes will not apply to historic buildings.
    - Mr. Ash suggested that the structural engineer or qualified consultant should have knowledge of historic buildings and historic restoration.
    - Council Member Holt questioned what the availability is of someone with that expertise.
    - Ms. Ward stated that there are qualified consultants and a list should be compiled.
    - Council Member Holt would like parameters that are not impossible to deal with, to be able to hire somebody reasonable.
    - Council Member Cotton questioned who was going to pay for it, and feels that the Town Council cannot tell them what to do-or who to hire as it puts too much on the property owner
    - Ms. Baratti-Salani stated that someone who is buying an historic property has given thought to creating an accessible building and understands that they would need to find out the structural issues and classify the inspection as a business expense.
    - Council Member Simmons said that the Town currently charges fees on permits and it is not outrageous to expect the property owners to hire an engineer to inspect the structural integrity of a building.
    - Mr. Raby stated that the phrasing of #1 is a very specific mandate, and if an engineer is hired who isn't qualified to do that, that should be what matters. When they submit their report, they should also submit their qualifications. This is not just limited to engineers.
    -

- Mr. Raby inquired if the three structural exemptions applied only to historic preservation or to all request for demolition permits
    - Staff replied that exemption #1 would apply to all demolition permits.
    - Mr. Raby suggested that the first exemption then be a parallel process to the Historic Preservation Board process.
    - Council Member Cotton disagreed by stating that any property owner who wants to demolish their building as a right to, and the Town really has no say in the matter – regardless if it is a safety matter or not.
    - Staff reiterated that exemptions #2 and #3 are specifically for determining an exemption for historical building.

- Council Member Simmons inquired if rehabilitation requires a definition of moving an historic building.
    - Staff replied that there should be an exemption for both structural and moving. Moving last effort before demolition. Rehabilitation and reuse is first choice.
    - Mr. Raby asked if #2 should be clarified.
    - Council Member Holt said that if a building is in such bad shape that it can't be rehabilitated, then it probably cannot be moved either.

- Chairwoman Pierce asked if both Council and the Historic Preservation Board should be looking at two different sets of criteria, one for Ordinance 683 and one for Article 14.
    - Council Member Holt stated that the exemptions should carry over from Ordinance 683 to Article 14 because the same criteria will need to come into play.
    - Council Member Cotton stated that the workshop today was heading towards Article 14 – and we will be winging it until then.
    - Council Member James said that economic hardship was our primary focus
    - Staff said part of Ordinance 683 is using the demolition clause as well. The current way that Article 14 is written leaves open loop holes if there is a sag in the floor – demolish. And this needs to be clarification.

- Council Member Holt inquired about structural exemption #2 in regard to a remodel which would have to then be brought into code with a lot of expense for property owner if as an historic building which is not to code and we may not have an option to not require it to be brought to code.
    - Mr. Raby stated that the National Historic Preservation has exemption language in their preservation codes that if a building cannot be brought up to code because it jeopardizes the integrity of the historicness or it is not financially viable, then the building is exempt. The Town could adopt similar language as well. Also, is it economically viable too?
    - Staff clarified that the requirement of having to bring a building up to code is triggered only if the improvement is significant or more than 50% of the total appraised value of the building.
    - Ms. Ward also stated that there are economic incentives through tax credits for remodels of historic buildings.
    - Staff stated that maybe the criterion for #2 is the substantial improvement becomes the trigger.
    - Mr. Ash said that it should be stated that the remodel is for its original use. If it is beyond the scope of the original use, then it is a different price-range.

- Mr. Raby asked if for the structural exemption to apply is it one or more of the exemptions. Staff stated it is generally one or more.

- Mr. Raby also stated that because of the language in the ordinance, no matter how much fine tuning – it still going to be judgmental. And the Town Council will need to rely on the expertise of somebody to make that judgment.

- Staff inquired if #2 should be stricken?

- Mr. Raby stated the question is what does a person want to do with their property and somebody else has to say if that is reasonable or not. Ultimately it is going to depend on what is going to be done to the property.

- Ms. Ward inquired what the intent of these discussions is. Is it to enforce historic preservation districts? Or talking about finding a way to assess each individual case? If the intent is to preserve historic buildings, need to focus on that.

- Staff recommended that the wording is taken out of #2 that is subjective and the trigger of 50% of remodel cost.
    - Council Member Simmons agreed as long as it is based off of the appraised value.
    - Staff requested permission to wordsmith
    - Staff suggested that land value, given the location also be included in the value of the remodel
    - Mr. Raby stated that structural is structural and should be left as such.

- Staff was given guidance to cut and paste in regard to economic hardship criteria from other municipalities so that it doesn't have to be rewritten.
    - Staff is okay with this as long as the Council and the Board reviews the criteria before it comes to the Council for adoption.

Adjourn 1:38

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TOWN COUNCIL MEETING MINUTES
TUESDAY NOVEMBER 07, 2006
5:00 P.M.

CALL MEETING TO ORDER - Roll Call: Mayor Ross Aragon, Council Member Darrel Cotton, Council Member Judy James, Council Member Tony Simmons, Council Member Stan Holt, Council Member

APPROVAL of MINUTES FROM OCTOBER 2nd, 3rd, 18th, 20th, 2006 MEETINGS – Minutes were approved as read.

LIQUOR LICENSES

1. Bear Creek Saloon – Liquor License Renewal Request
2. Mountain Spirits Liquor Store – Liquor License Renewal Request – Councilmember Cotton moved to approve the renewal requests. Councilmember James seconded and with 4 ayes and 1 abstention (Councilmember Simmons) the motion carried.

DELEGATIONS: Chief Volger – Citizens Accommodation for Reggie Larkin – The Town of Pagosa Springs Police Department gave a citizen commendation to Reggie Larkin for helping in a Police pursuit. He is to be commended for his level of awareness and the initiative he demonstrated.
Bob Campbell – Funding Request for Park Design Study – The County is requesting $2570 to help complete the conceptual design for a park above Cloman Drive. Council Member Holt moved to contribute the money. Council Member Simmons seconded, the motion carried unanimously.

NEW BUSINESS

1. **REVIEW OF BOARD OF ADJUSTMENTS AND PLANNING COMMISSION ACTIONS FROM OCTOBER 17TH, 2006 MEETING**
   a. **Wolf Creek Run Setback Variance Request (Public Hearing)** – Want to encroach 53.8 feet on setbacks. BOA voted to approve with conditions. Applicant trying to mitigate some court requirements as this project did go through litigation, but a judgment was not actually made in court. Council Member Simmons is concerned with setting a precedent here. Mayor Aragon opened this to public comment, there was not any. Council Member Cotton echoed Council Member Simmons. Cotton moved to approve the variance with the conditions along with a deed restriction to make sure next owner is under the same conditions. Council Member James seconded, motion carried with 1 nay (Council Member Simmons)
   b. **Town Terrace Lot Consolidation Request** - The Planning Commission has reviewed this and found it to be in compliance, they recommend approval with conditions. Council Member Holt moved to approve the consolidation with conditions. Council Member Cotton seconded, with a unanimous vote the motion carried
   c. **Town Terrace Condominium Conversion Request (Public Hearing)** – This is 6 Commercial and 4 residential units all wanting separate ownership. The

Planning Commission reviewed this and recommends approval with conditions. 2 of which have already been met. Mayor Aragon opened this for public comment, there was not any. Council Member James moved to approve the condominium conversion with remaining conditions. Council Member Holt seconded, motion carried unanimously.

d. **Riverwalk II Condominium Conversion Request (Public Hearing)** – This is at 502 South 5th Street. The Planning Commission has reviewed and recommends approval with conditions. Mayor Aragon opened this to public comment, there was not any. Council Member Cotton moved to approve with the conditions. Council Member Holt seconded, the motion carried unanimously.

e. **Pagosa Crisis Pregnancy Center Lot Consolidation Request** – The Planning Commission has reviewed this and recommends approval with conditions. Council Member James moved to approve the lot consolidation with conditions. Council Member Cotton seconded, motion carried unanimously.

f. **14th Street Townhomes Final Plat Review (Public Hearing)** – The Planning Commission has reviewed this and recommended approval with conditions. Mayor Aragon opened this to public comment, there was not any. Council Member Cotton moved to approve with conditions. Council Member Holt seconded, motion carried unanimously.

g. **Philadelphia Cheese Steak Conditional Use Permit Request** – At 191 E Pagosa Street, this is Fred Schmidt's property. They would like to operate from Jan 07 to Oct 07 and increase their tent size. The Planning Commission has reviewed the request and recommends approval with 6 conditions but made clear they wouldn't be approving another 10 month CUP and recommend finding a permanent place. Snow removal and parking questions came up with Council. Mr. Schmidt said he would clear parking but Holt would like to add snow removal and parking as a condition and a public safety concern with snow build up on the tent. The applicant would need to accept the liability for this (public safety and snow removal). Council Member Simmons moved to approve with conditions plus additional conditions for snow removal on tent and parking and application of liability should it be determined by our attorney after the fact. Council Member Cotton seconded, the motion carried unanimously.

h. **San Juan River Villas PUD Preliminary Plan Review (Public Hearing)** – This is a 21 Unit town home project. The Planning Commission has reviewed this and recommends approval with 17 conditions. Mayor Aragon opened this to public comment, there was not any. Council Member Cotton moved to approve with conditions. Council Member James seconded, the motion carried unanimously.

i. **River's Edge Lot Consolidation Request** – The Planning Commission has reviewed this and recommended approval with conditions. Council Member Holt moved to approve with conditions. Council Member Simmons seconded, the motion carried unanimously.

j. **River's Edge PUD Final Plat and Development Agreement Review (Public Hearing)** – The Planning Commission has reviewed this and recommends approval with conditions. Mayor Aragon opened this to public comment, there was not any. Council Member Holt moved to approve with conditions and to include the 3 items involved in the PUD agreement. Council Member James seconded, the motion carried unanimously.

2. **Historic Significance Determinations**

a. 302 South 7th Street Demolition Request – This structure is over 50 years of age. The Historic Preservation Board (HPB) found at a 4-0 vote that the building has no historic significance and recommends approving a demolition permit. Council Member Holt would like an idea of when he will be rebuilding on the property and

that plans be provided. Tamra believes with this particular building it is in the public's best interest if it comes down sooner than later. Council Member Holt moved to approve the demolition request. Council Member Simmons seconded, the motion carried unanimously.

b. 335 South 8th Street Alteration Request – Julie Jessen presented and handled this as it is Tamra Allen's house. This structure is over 50 years of age. The HPB has found it to have no historical significance and recommends alteration approval. Council Member Simmons moved to approve. Council Member Holt seconded, the motion carried unanimously.

3. **Archuleta County/Town of Pagosa Springs IGA for North Pagosa Boulevard –** The IGA outlines responsibilities of both the town and the county. The County will handle the project administration. Council Member Holt moved to approve the IGA with the attorney's blessing and to authorize the mayor to sign the IGA. Council Member Cotton seconded, the motion carried unanimously. Council would also like to task the County to look for a Mountain Express transit stop area.
4. **Resolution for Appointment of Planning Commission Member (Resolution Number 2006-24)(Public Hearing) –** Tabled until later date.
5. **First Reading of an Ordinance Amending the Municipal Code Establishing Criteria for the Waiver and Deferral of Impact Fees (Ordinance Number 684)(Public Hearing) –** Tabled until later meeting, staff wants to spend more time with Council to discuss this in more detail in a work shop
6. **Resolution Adopting Impact Fee Deferral Policy (Resolution Number 2006-26)(Public Hearing) –** This is tabled also and will be at same workshop.
7. **First Reading of an Ordinance Requiring a Redevelopment Plan and Building Permit Prior to Demolition (Ordinance Number 685)(Public Hearing) –** Staff turned this over to our attorney and this will be tabled also.
8. **Draft 2007 Budget –** Not quite ready just yet, trying to work in impact fees among other minor details needing to be worked on. Will hopefully have to you by end of week.

OLD BUSINESS

1. **Second Reading of an Ordinance Amending the Municipal Code and Adopting the International Building Code, International Residential Code, International Mechanical Code, International Fire Code, International Fuel Gas Code (all with Amendments)(Ordinance Number 675)(Public Hearing) –** Mayor Aragon opened this to public comment, there was not any. Council Member Simmons moved to approve 2nd reading or Ordinance 675. Council Member James seconded, the motion carried unanimously.
2. **Second Reading of a Ordinance Amending the Municipal Code and Establishing the Town Tourism Committee By-Laws (Ordinance No. 678) (Public Hearing) –** Mayor Aragon opened this to public comment, there was not any. Council Member Cotton moved to approve the 2nd reading of Ordinance 678. Council Member James seconded, the motion carried unanimously.
3. **Second Reading of an Ordinance Vacating the San Juan RV Park Minor Impact Subdivision, Plat Number 738 (Ordinance Number 679)(Public Hearing) –** Mayor Aragon opened this to public comment, there was not any. Council Member James moved to approve the 2nd reading of Ordinance 738 and authorizing the Mayor to sign the replat. Council Member Simmons seconded, the motion carried unanimously.
4. **Second Reading of an Ordinance Vacating the White-Greene Minor Subdivision, Plat Number 707 (Ordinance Number 680)(Public Hearing) –** Mayor Aragon opened this to public comment, there was not any. Council Member Cotton moved to approve the 2nd reading of Ordinance 680 and to authorize the Mayor to sign. Council Member Simmons seconded, the motion carried unanimously.

5. **Second Reading of an Ordinance Amending the Municipal Code Revising the Planning Commission Membership and Terms of Office (Ordinance 681)(Public Hearing** – Mayor Aragon opened this to public comment, there was not any. Council Member James moved to approve 2nd reading of Ordinance 681 and to authorize the Mayor to sign. Council Member Simmons seconded, the motion carried unanimously.
6. **Second Reading of an Ordinance Vacating a Portion of Square Top Circle Road (Ordinance Number 682)(Public Hearing)** – Council Member Cotton thinks we should require a turn around to be constructed or it should be well marked and posted as no outlet. Mayor Aragon opened this to public comment, there was not any. Council Member Cotton moved to approve 2nd reading of Ordinance 682 and authorize the mayor to sign with additional provision to ensure emergency vehicles don't get stuck up the road, well marked with good signage. Council Member Simmons seconded, the motion carried unanimously.
7. **First Reading of an Ordinance Establishing a Moratorium on the Demolition of Buildings 50 Years or Older (Ordinance Number 683)(Public Hearing) –** This adds finding no historic significance, structurally unsound and economic hardship. Mayor Aragon opened this to public comment. Mr. Darling – stated that he believed the criteria are problematic, they are vague and subjective. There aren't any steps to tell you if you qualify or not. How do you take these things into account? It is much too subjective. It is going to cost a lot of money to try and comply with this. This has very serious problems with it and leaves a lot for interpretation. An easy way to determine economic hardship is if the property is economically viable, is it going to go into foreclosure, is it going to be boarded up and shut down. Tamra added that it is really up to applicant to demonstrate by factual evidence that they meet one of the criteria, it doesn't require all things have to be done. Just enough to prove the case. Council Member Holt does agree that it should be transferable. Shari Pierce – doesn't think it should be transferable, one person's economic hardship is not another's. Mark Weiler – The people who really suffer from the economic hardship and viability are the citizens of Pagosa Springs. Maybe we should do some research on how much money the town will be getting if redeveloped compared to making economically deficient building to stay. He believes there is a place for historical significance but there has to be a balance. Historic preservation has to be born by the citizens of the community, it is inappropriate to put it totally on the property owner. Susan Ward – economic hardship is extremely subjective. We don't have very many historic properties left here in town, we need to preserve what we have left. We can't build a new historic structure. Mr. Darling – at the beginning of next year Pinewood Inn is going to start losing money, that is objective. Economic hardship to some extent is subjective, but this ordinance makes people who own buildings 50 years or older lose out. It needs to have very specific criteria. Council Member Cotton stated that this doesn't preclude any owner from bringing any evidence in, they can bring anything that will prove the hardship. He still doesn't think the Pinewood Inn is historic. Council Member Simmons moved to approve 1st reading of Ordinance 683. Council Member Holt seconded, the motion carried unanimously.
8. **Pinewood Inn Historic Significance Determination** – The HPB found 2 structures to have historical significance based on meeting 7 of 11 criteria. The Council has never officially stated whether they think they do or do not have historical significance. Shari Pierce of the HPB believes that this is the most criteria that a property has ever met. She then went over the criteria that they believe the Pinewood Inn met. Council Member Cotton still doesn't think buildings are historically significant and feels it is wrong to hold back development. These buildings have been altered so much you can't even find the original foot print. Council Member Holt stated that there are members on this board that feel both ways, but in interest of town everyone put forth compromises so that everyone could be a winner but it didn't turn out that way. He agrees it is a subjective

call but going through this has been helpful in amending our ordinances and our municipal code. Council Member Holt moved to declare that the Pinewood Inn does not have any historical significance. Council Member Cotton seconded, the motion carried with 2 nay votes (Simmons & James).

DEPARTMENT HEAD REPORTS

1. **Town Manager Report –** Council Benefits – we have the ability to extend benefits to Council Members, but constitutionally it doesn't look like can give them to current sitting members. Our Attorney is looking into ways to do this though. Sales Tax – The numbers continue to be strong, 15% increase YTD. CMAQ – Cemetery Rd should be paved by the end of the week, delays have been due to the weather and it being too wet. Greatwest will start in the Spring Time. Enhancement – Riverwalk Trail is underway but weather has affected them too, along with some ground water. River Restoration – We hope to have a permit by end of week or first part of next week. Seeds of Learning – Some issues have come up with the grant administration requirements with the bidding of the architect and construction manager. Mark wants to update our personnel policy to allow being able to donate sick time to employees in need and would be on a voluntary basis. By consensus of Council go ahead. Council likes the new packets and thinks it is effective and so does the media.
2. **Planning Department Report –** Comp Plan workbook is completed and we will be getting them to council soon. DMP should be done by end of year and will go through one more round of hearings. County would like a joint meeting to discuss Transfer Development Rights (TDRs). Tamra thinks there are other more important issues before TDRs for instance impact fees, Mark agrees. Council agrees with staff and Tamra will respond with a letter.
3. **Building Department Report –** Continuing to receive applications for both residential and commercial projects – particularly new commercial. As of tonight we adopted 2006 International Codes, and we would like to implement a Plan Review Fee. This should help so many multiple reviews and problems. Also going to recommend a formation of an appeals board and would like to solicit applications.
4. **Parks and Recreation Department Report –** Sports Complex nearing completion, weather has also been a factor here. We are currently into liquidated damages. Some stuff like irrigation along with some others will be continued until next year.
5. **Town Clerk Department Report –** Remember 11/15/06 lunch meeting it will be budget public hearing.

APPROVAL OF BILLS – Council Member Holt moved to pay the bills. Council Member James seconded, the motion carried unanimously.

ADJOURNMENT – Council Member Cotton moved to adjourn. Council Member Holt seconded, the motion carried unanimously. The meeting adjourned at 7:53 p.m.

Ross Aragón, Mayor

Sanitation Minutes 11/07/06 7:54 p.m.

Approve 10/3/06 minutes as read

Supervisors Report – there was an ammonia violation in September which has been an ongoing problem for us. We are thinking all of these problems were caused by some event that caused toxicity in the lagoons and recently they are coming back okay so we think maybe it has come full circle. We will have much more control with our new plant and we will be better able to deal with some of these issues.

Brilliam Engineering will be drafting a letter to the Department of Public Health responding to this.

CDPH& E Compliance Advisory Letter – We have been meeting all criteria but haven't been putting it in report form. Brilliam Engineering is preparing a letter to deal with this, as well as we will send a report and we will ask for a temporary modification of our permit.

Resolution 2006-02 – to include the Archuleta County Fairgrounds

Resolution 2006-03 – to include a property on a E Hwy 160 property. It is going to be a multi use development and they have pre bought 30 taps. Earliest start of construction would probably early next summer. Currently property is in the county and they have not discussed the possibility of annexing into the town yet.

Both of the resolutions will come back to the Council since our attorney was unable to get us a template to us for these resolutions.

New Treatment Plant Design and Funding – Julie has been working on the finance side and Brilliam is working on the design. We will be trying to get some grant funding and also a low interest loan. Have been working hard trying to get this moved south but more and more looking like it will have to go into our current cell 2. That decision lies ultimately with us.

Update on Ammonia Discharge Limits – touched on this earlier.

Approval of Bills – Council Member Cotton moved to pay the bills. Council Member Holt seconded, the motion carried unanimously.

Adjourn – Council Member Cotton moved to adjourn. Council Member James seconded, the motion carried unanimously. The meeting adjourned at 8:15 p.m.

Town of Pagosa Springs
Special Meeting 11/15/06 12:00 p.m.

Roll Call: Mayor Aragon, Council Members Cotton, Holt, James,
Liquor License – Pagosa Spring Public Facilities Coalition Special Events Request. Council Member James moved to approve, Council Member Holt seconded, the motion carried unanimously.

2007 Draft Budget – David Sedgwick – Mountain Express - asking for quite a bit more this year than in previous years. The Mountain Express is a help for low income people, the disabled and the elderly. Dave does the reporting for all Archuleta County Transportation Programs. He procures vehicles to keep up the fleet. They currently have 3 vehicles in fleet with over 100,000 miles; CDOT considers vehicle life 5 years or 150,000. 42% of annual mileage is within Town of Pagosa Springs. Town has previously contributed $3000.00 annually. Streets Department also helps with some in kind hours. Bottom line is that they are looking for more funding from the town and believe they are providing an important service to the Town of Pagosa Springs. Council Member Holt asked how the rider ship has been, Dave said it is increasing and the service is being well used. Holt would like to see the private and public sectors also get involved and would like to see some covered bus stops or a more convenient way to wait for the bus to come around. Dave said need has been identified but have to be able to come up with the cost for construction.

Robbie Swartz – Humane Society – Gave a handout to the council . Take cost of running shelter and use formula taking into account what the town would pay for if they had their own facilities. About 30% of dogs come from the town, what they are asking for is $22,000.00 which doesn't even cover the whole cost of the animals coming from the town. The thrift store helps pay for the operation of the shelter. They also supply a spade and neuter program to help keeping more animals from coming into the shelter.

Bern Heath – Southwest Mental Health, Crossroads Facility - Asking for 2 portions, continuation of $15000.00 to help with building new facility then $2000 to help the mental health for people from Pagosa Springs. Past year served 319 Pagosa Springs residents. Crossroads Facility came in a week and a half ahead of schedule and under budget. Holt wanted to know what they requested from the counties, they asked for $25,000 from Archuleta County and $150,000 from La Plata County. Chief Volger has submitted a request to be on the board of the SW Mental Health Center and really supports what they are trying to do here. There are also a couple other people from this area on the board.

Jenny Aguchi – CHI – Non Profit that has been in business since 1995 and build low income housing in 4 counties. Past few years have had some set backs one of those being lack of funding and have been running on fumes for the past year . They have asked for funding from each county and town where they build at $10,000. They are trying to sell some land assets to help with this also. Cost of land and building materials keeps going up and makes it harder and harder for families to qualify, especially in this area. Have gone down from 7 employees to 2.5. Cotton asked for a copy of their budget, she said she would get it to them as soon as possible. James asked how many houses in

Town of Pagosa Springs they do a year. She says it varies from year to year but did 6 in Pagosa Springs this year.

Opened to public comment, none. Have worked through quite a few issues and our budget continues to grow. Mark went over revenues and expenditures. In 2007 our expenditures exceed our revenues by over $690,000 due to some projects crossing over but also carrying over $900,000 in reserves. Our biggest revenue generator is sales tax and has been increasing regularly this year. Half of this has to go to capital improvements. We pulled all the grant funds out of the departmental budgets last year to give a truer reading of departmental expenditures. Town Manager Budget there is a new line item for a Public Works Director and partial funding for an Affordable Housing Director, the county is going to fund the other half. Last year in 06 we didn't do any pay increases due to 2 in 05 for the salary survey we completed. In 07 we are implementing a cost of living adjustment and a merit pay system. Started with 3.4% for COLA and using a 3 step merit pay system on top of that. 1% meets some goals 2% meets most over 3% meets all goals set forth by supervisors. Health insurance benefits is another kicker and this continues to kill us yearly, this year we are looking at a 23.5% increase in cost. As this continues to escalate this is going to become a bigger and bigger problem for us. Mark would like to look at self funded program in more detail when he has some time. Parks Dept. – not much changing here. Did deny a PT going FT. Rec Dept. – denied PT going FT, anticipate possible Director mid year. And would like to give bonuses to 4 employees who picked up slack without a director. Police Dept. – had requested a FT officer and a PT evidence tech. These were also denied. 1 new position is Narcotics Detective; this will be joint position with county. Will work out details with Sheriff elect when he takes office. Streets Dept. – no major changes. Geo Dept. – no major changes are starting to see more profitability from this dept with change out of all meters. Bld/Planning Dept. – denied additional planner request. Mark wants to bump Tamra's salary; she has exceeded all expectations and would hate to lose her. Other than that there are no major changes. Serv Orgs – heard from 3 today who had significant requests. Mark expanded a little on all of them. Cap imp plan – meat of our budget. Cem Rd to complete next year and all of GreatWest Avenue. Want to upgrade Lewis Street Lighting this year and maybe some on Main Street, Lewis Street Intersection is also a priority for next year.

Determination of Significant Compliance Annexation Resolution (Resolution 2006-27) – This is for the Homes at RockRidge Property, they have submitted a final plan but they have a lot of work to do on it. Holt moved to approve Resolution 2006-27, James seconded motion carried.

Ordinance 684 – deferral is for all non profits that provide public services for our communities. Gives them more time to pay fees on the back end so have there is more money to spend elsewhere on front end. Waivers are set up for affordable housing and special taxing districts and they pose a problem for us. We need to reevaluate impacts every 3-5 years to make sure we stay up with costs. A waiver of fees requires the town to pay it at some point since the impact is still there. Mark recommends that we do not waive impact fees due to this and that we only defer them and can look at different amounts of time. Mark thinks the longer we push this out the further it will burden us so he thinks 10 years is good amount of time. Council wants more time to think this

over and come back to discuss in more detail. Council gave Mark the okay to take out waivers. This will come back in December.

Resolution 2006-26 – goes hand in hand with Ord. 684. tabled with 684

Ord. 685 was handed out at meeting - Tabled until December meeting.

Councilmember James left 1:20p.m.

Back to Cap Imp Plan on 2007 Budget – Lewis Street hoping to get to 3rd Street but should take us to 4th Street for sure. Enhancement and CMAQ projects – matches for 2 Pedestrian Bridges and Greatwest Ave. Want to get all projects that we have on our plate done in 07. Wants to start approaching Cap Imps from the Capital Improvement Plan. We need to replace a dump truck so there is a new dump truck budgeted. N/S Pagosa Blvd will be done with county and they will be the lead on that. Sports Complex there is some work remaining in Phase I and hopes to do Phase II. Police want to replace 3 vehicles, going to try to get one this year if we can and can also use some impact fee money. Want to finish the BMX Park on South 8th Street. Mayor Aragon would like to add the street in front of LPEA, it is falling apart. Mark stated that Dakota Springs is the big subdivision out there, they are almost ready to come in for final plan review and part of that will redevelop that whole road. We will look at it and try to get fixed in the short term and that could also be a county road but we will have to check. Would also like to add signage to entries to town. Mark said can use the Town Entries/Medians budget and then ask for some TTC money and he would like to work with them on that.

Holt brought up the possibility of buying property across the street; maybe it should be added as a budget item. Mark said in some conversations with the county they may be interested in maybe working together on something on that, maybe something like the rec center and that could be addressed on our sales tax ballot question next November. Can also wait until it comes up then amend the budget when necessary. Muni Court – no real changes. Town Prosecutor growing a little bit. Community Center – no real changes. Teen Center – seems to be just getting by so may need to look at this more closely. Town Clerk no major changes. Maintenance – no major changes Budget will come back to Council at 12/5/06 meeting for adoption.

Sanitation Budget no real major changes are seeing a lot of new taps being bought. Did add the new waste treatment facility which will be a large expenditure. Anticipating using some of the reserve money for the new treatment facility. Hoping to get $500,000 in grant monies and a $2,000,000 loan with approximately a 1.8% interest rate.

Meeting adjourned at 2:05 p.m.

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TOWN COUNCIL MEETING MINUTES
TUESDAY DECEMBER 05, 2006
5:00 P.M.

I. CALL MEETING TO ORDER – The following Council Members answered to roll call: Mayor Ross Aragon, Council Member Cotton, Council Member Holt, Council Member Middendorf, Council Member Simmons, and Council Member Whitbred

II. APPROVAL of MINUTES FROM NOVEMBER 7th, 15th, 2006 MEETINGS - Minutes were approved as read.

III. LIQUOR LICENSES

1. **Plaza Grill – New Liquor License Request (Public Hearing)** – Opened to Public Comment, there was not any. Council Member Whitbred moved to approve the new license request. Council Member Holt seconded and the motion carried with 1 abstention (Council Member Simmons)
2. **Victoria's Parlor – Liquor License Renewal Request** – Council Member Cotton moved to approve the renewals. Council Member Holt seconded, and the motion carried with 1 abstention (Council Member Simmons)
3. **Chamber of Commerce – Special Event Request (2007 Annual Meeting/Dance)** – Council Member Cotton moved to approve the Special Events request. Council Member Holt seconded, and the motion carried with 1 abstention (Council Member Simmons)

IV. DELEGATIONS: None

V. NEW BUSINESS

1. **REVIEW OF BOARD OF ADJUSTMENTS AND PLANNING COMMISSION ACTIONS FROM NOVEMBER 14TH, 2006 MEETING**
   a. **DeClark Granite Setback Variance Request (Public Hearing)** – 9" setback side encroachment request. The Board of Adjustments recommended approval without any conditions. Opened to public comment, none. Council Member Simmons moved to approve the variance, Council Member Cotton seconded motion carried unanimously.
   b. **DeClark Lot Consolidation Request -** The Planning Commission has reviewed this and recommends approval with 3 conditions. Council Member Cotton moved to approve with conditions. Council Member Simmons seconded, the motion carried unanimously.
   c. **The Plaza at Aspen Village Building "A" Condominium Conversion (Public Hearing)** – 2800 Corner Stone Drive to be able to create separate ownership. The Planning Commission reviewed this and recommends approval with 3 conditions. Opened to public comment, none. Council Member Holt moved to approve the condo conversion with conditions. Council Member Whitbred seconded, the motion carried unanimously.
   d. **Willingham Minor Subdivision Request (Public Hearing) -** 193 A Rob Snow Road. Would create 2 lots. The Planning Commission has reviewed this and recommends approval with 2 conditions. Opened to public comment, none. Council Member Cotton moved to approve with conditions. Council Member Simmons seconded, the motion carried unanimously.
   e. **Colorado Collision and Storage Conditional Use Permit Request** – 193 A Rob Snow Road. Additional 4 storage units. The Planning Commission has reviewed this and recommends approval with conditions. Council Member Whitbred asked if we have seen any landscape plans yet. Joe said they had submitted some basic preliminary plans but had to go through D-3 anyways. Council Member Cotton moved to approve with the conditions. Council Member Whitbred seconded, the motion carried unanimously.
2. **Petition for Annexation for Alpha Drive (Public Hearing) -** Portion of Alpha Drive from Hwy 160 turn off to property line of the Aspen Development. The Petition is from the County. This will be Resolution 2006-25. The developer is going to pave this road and bring up to our standards then we will take over maintenance of it. Opened to public comment. Beverly Warburton – Pres Alpha Property Home Owners Association – They are sad Alpha Drive will be leaving them

but due to development they can't afford to maintain it so they are glad town is taking it over and they just want to make sure it will be maintained well and watched over for everyone's use. They don't want this to be a precursor to making all of their roads annexed. Closed to public comment. Whitbred has difficulty doing this without a written agreement established, Simmons agreed. We need a signed contract with County, Town, Pagosa Partners, and Alpha Metro. By consensus this was continued.

3. **First Reading of the Impact Fee Deferral Ordinance (Ordinance Number 684) (Public Hearing) -** Opened to public comment, none. We struck all of the waiver language out of here and capped the deferral period to 10 years but it can be done again in extenuating circumstances. Also took out Manager rights to give deferrals so all comes to the Council. Council Member Whitbred moved to approve 1st reading of Ordinance 684, Council Member Holt seconded, the motion carried unanimously.
4. **Draft Resolution Establishing Impact Fee Deferral Policy -** We would like this to be considered for adoption at next meeting when we do second reading of 684 and are giving this to council for feedback. Council Member Holt thinks it is fine and can proceed at next meeting. Council Member Cotton thinks it looks okay.
5. **First Reading of the Redevelopment Permit Prior to Demolition or Relocation Ordinance (Ordinance Number 685)(Public Hearing) -** Staff believes they have addressed everything discussed on this previously. Council Member Cotton thinks there is a lot of redundancy with this ordinance and the HPB ordinance and he has a problem with that. Mark stated that Ordinance 683 will expire in April of 2007 so that may be where some of the redundancy comes from. Council Member Cotton says it needs some serious streamlining. Council Member Holt believes that this is to keep us from having a bunch of vacant lots after buildings are torn down, especially in the commercial area. Tabled until Tamra can be available to answer some questions. Continued to 12/28/06 special meeting at noon.
6. **Resolution Authorizing the Town to Review State Income Tax Credits for Qualifying Rehabilitation Projects for 2007 (Resolution Number 2006-26) (Public Hearing) -** This is an annual reauthorization. Council Member Holt moved to approve Resolution 2006-26. Council Member Middendorf seconded. Opened to public comment, none. The motion carried unanimously.
7. **Resolution Authorizing the 2007 Budget and Mill Levy (Resolution Number 2006-28)(Public Hearing) -** 2007 Budget and Certifying the Mill Levy at 1.557. Service Orgs that came in front of Council all being funded requested amount. Mark still waiting for CHI budget before decision is made on that one. Opened to public comment, none. Council Member Cotton moved to approve Resolution 2006-28 and to certify mill at 1.557. Council Member Holt seconded, motion carried unanimously.
8. **Kinder Morgan Franchise Agreement Review (Public Hearing) -** Kinder Morgan Representatives were not able to come to this meeting to discuss their issues with the agreement. We would like to continue this until the 1/17/07 meeting. They aren't happy with having to pay certain fees, such as road cut permits, business licenses etc. We are waiting for some word from our attorney and one that CML recommended to show what we are trying to do. Bob Cole will be here for the 1/17/07 meeting. This was continued to the 1/17/06 meeting.

VI. OLD BUSINESS

1. **Second Reading of an Ordinance Establishing a Moratorium on the Demolition of Buildings 50 Years or Older (Ordinance Number 683)(Public Hearing) -** Opened to public comment, none. Council Member Simmons moved to approve 2nd reading of Ordinance 683. Council Member Whitbred seconded, the motion carried unanimously.
2. **Discussion on Jackson Property Vacation/Easement Dedication -** To make everything easier we need to do a consolidation plat on all of Jackson's property then need to come back and do a minor subdivision plat and Jerry would like the town to split the costs of surveying and filing the plats with him. Council Member Middendorf moved to approve with cap of town's share to $1000.00. Council Member Cotton seconded, motion carried unanimously.

VII. DEPARTMENT HEAD REPORTS

1. **Town Manager Report -** Grant CUP for Philly Cheese steak for 180 days then work to get the 180 days in our building code. Council Member Whitbred moved to approve, Council Member Holt seconded, motion carried unanimously. Sales tax did decline a small amount in the check received this month, but still up 13% YTD. CMAQ – closed Cemetery Road project down but some areas will have to be redone in the spring. Greatwest will begin in the spring also. Ehancement – Riverwalk Trail work has been suspended, we are hoping for some good weather to maybe get some work done but most likely done until Spring. River Restoration – We should be

getting our permit any day now. After we get permit we will have to submit plans for review and approval. Mark publicly disclosed that we received some planning text books from Bootjack Management, both the Town and Council. Council Member Whitbred stated he sent his back.

2. **Building and Planning Report -** Starting in 2007 the Planning Commission will meet twice a month on the 2nd and 4th Tuesday's of the month and want to try this on a 6 month trial basis. DTMP – Steering committee meeting on 12/13/06 at 5:30 then there will be a public meeting sometime after Christmas. LUDC – Interviewed Clarion and have one more to interview this Friday then will determine a finalist. HPB is continuing to work on Article 14 and would like to meet in work shop with the Council again to go over this. They will also meet with the HPB on the 1/17/07 noon meeting.
3. **Parks and Recreation Department Report -** With vacancy of Director position Mark would like to give bonuses to staff that has picked up these responsibilities. Wanted to know if Council was interested in giving any other bonuses for the year. Mark was thinking $100 for all staff and a little more to the ones he mentioned earlier. Council Member Simmons supports this fully and believes it is good for employee moral, Council Member Holt agrees. By consensus gave go ahead with the same as last year.

VIII. APPROVAL OF BILLS – Council Member Whitbred moved to pay the bills, Council Member Holt seconded, motion carried unanimously.

IX ADJOURNMENT Council Member Holt moved to adjourn, Council Member Whitbred seconded, the motion carried unanimously and the meeting adjourned at 6:35 p.m.

Ross Aragón
Mayor

Sanitation Meeting Minutes
12/5/06 6:36 p.m.

Mark gave an overview of a meeting he and Julie attended in Denver this past weekend and he thinks will be able to retain funding for the new treatment plant.

Supervisors Report – There are some BOD issues Phil is working on along with the ammonia and stuff we have been continually working on. Phil is trying to keep a better tab on all that and trying to make sure our chlorine levels are adequate.

Levine Easement Dedication – Been trying to identify this utility easement. At the southern boundary line it goes onto school district property. They have met with the school and they have agreed to it also. One other problem along the southern boundary where one survey used fence line and other used section line so left an 8 foot gap that belongs to the town. Mark would like our attorney to review the dedication but we can authorize the easement contingent upon the attorneys review. Council Member Holt moved to dedicate the easement to Mr. Levine contingent on okay from our attorney. Council Member Cotton seconded, the motion carried unanimously.

Resolution 2006-02 adopting 2007 budget and certifying Mill Levy at 2.545 – Council Member Cotton moved to adopt Resolution 2006-02 and to certify the Mill at 2.545, Council Member Whitbred seconded, the motion carried unanimously.

Inclusion – Council Member Cotton Move to approve 1st reading Ordinance 2006-01, Council Member Whitbred seconded the motion carried unanimously. They are also interested in annexing but don't have continuity at this time so would be difficult but do foresee this in the future.

Fair Ground Inclusion - We will also be annexing this. Council Member Simmons moved to approve 1st reading of Ordinance 2006-02, Council Member Middendorf seconded, the motion carried unanimously

Rules and Regulation Resolution 2006-03 – This deals with mainline extensions Phil requested from Bob Cole. Section 1 is being amended to add language. Council Member Whitbred moved to approve Resolution 2006-03, Council Member Simmons seconded, the motion carried unanimously.

Blue Sky Development Inclusion Request – We received a letter and moved this to 1/17/07. Council Member Holt moved to table this until 1/17/06, Council Member Cotton seconded, motion carried unanimously.

New Treatment Plant - We are going to have to have to do to secure financing is to create an enterprise fund within our sanitation district we are going to try and set up the new treatment plant/facility as an enterprise fund within PSSGID. We have to do this so we don't have to go the voters to ask for this indebtedness. Bob Cole is currently working on this. We hope to break ground on the new plant in fall of 2007.

Update on Current Plant Issues – Have submitted letter of amendment to permit on our current lagoon system. Ms. Torres at the Denver meeting felt we were okay with what we have done and that we don't need to do a building moratorium but said she couldn't make the final decision her supervisor would. The permit application will take 3-4 weeks to process.

Council Member Whitbred moved to pay the bills, Council Member Simmons seconded, the motion carried unanimously. On a motion duly made the meeting adjourned at 7:08 p.m.

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TOWN COUNCIL SPECIAL MEETING MINUTES
THURSDAY DECEMBER 28, 2006
12:00 P.M.

I. CALL MEETING TO ORDER – Mayor Aragon, Council Member Holt, Council Member James, Council Member Middendorf, Council Member Simmons, and Council Member Whitbred all answered roll call.

II. NEW BUSINESS

1. **Petition for Annexation for Alpha Drive (Public Hearing) -** Petition from Archuleta County to annex a portion of Alpha Drive, this is currently being maintained by Alpha Rockridge subdivision. Hope to have an annexation agreement for maintenance of the road and it will be recorded. The County is the obligatory signer even though they give some HUTF money to Alpha Rockridge for maintenance and Alpha Rockridge will be notified of the agreement. An agreement with the developer to improve roads to town specs will be taken care of in the annexation agreement as well. We hope they will be completed by this coming summer. Whitbred as problems doing things with contingencies then there is no follow through and Tamra and Joe are both really busy. Tamra believes the developer intends to complete the improvements as soon as the weather allows. Opened to public comment. Owen Parker – Part of Alpha Rockridge Metro District. They do want Town to annex road as then the town will have to maintain it. They were never involved in decision making process with the county. They would like to see the developer do something in writing before this is finalized. They can seem to get together with the developer to tell them what they would do to date. As far as timeline goes they thought it was August of 2007. Beverly Warburton, President of Alpha Rockridge Home Owners Association. This is also a health and safety issue as well and you have to recognize that. She shares concerns of needed a written contract so it doesn't slip through the cracks. Closed to public comment. Whitbred would like to see an agreement with a bond that says the developer is going to do this and then let the county put pressure on them. Also need to add them taking care of part of the maintenance until the road is paved. Middendorf moved to approve Resolution of intent to annex Alpha Drive with 2 contingencies – an agreement with developer to do improvements and after annexation to pay 100% of maintenance until paved and totally improved to town standards. Holt seconded and with 6 ayes the motion carried.
2. **First Reading of the Redevelopment Permit Prior to Demolition or Relocation Ordinance (Ordinance Number 685)(Public Hearing) -** Staff has reworked this ordinance with the help of the town attorney. Council Member Cotton asked Tamra to remove Section 21-8-3 and he had concerns with 21-8-12 -3d he was concerned that council could not revisit this for one year. Holt also has 2 concerns. Partial demolition is not put through out the whole ordinance and he thinks it should be, it can be included in the definition or be written in. He also has questions on the time frame, section 21-8-9, he thought had to get a building permit before getting a demolition permit. He thinks we should get rid of the "if required" statements with regards to the building permit and make it required. He thinks "if required" gives them an out and it should be a condition period. There will be a penalty section to deal with someone who gets a building permit and then lets it expire or doesn't do anything with it. Opened to public comment. James Robinson, Pagosa Sun asked how the events would unfold after applying for a demolition permit. Tamra gave an example. Public comment closed. Holt moved to approve 1st reading of Ordinance 685 with the verbal changes made today along with Cotton's suggestion to delete 21-8-3 leaving the 1 year for now. Simmons seconded and with 6 ayes the motion carried.
3. **Resolution 2006-24 Appointment of member to the Planning Commission (Public Hearing) -** Angela Atkinson has submitted a letter of intent and this resolution is to appoint her. James moved to approve Resolution 2006-24, Simmons seconded and with 6 ayes the motion carried.
4. **Town Tourism Committee Budget Review -** They wanted to present their draft budget to the council today. Tony Gilbert is here representing the TTC. They are estimating generating $400,000 in revenue for 2007 with about $100,000 left in

reserves from 2006. Mark gave a breakdown of the areas where they figure the expenditures will go. The Council had a bubble chart to look at and follow along as well as a spreadsheet to look at. They meet at least monthly if not more often and Tony believes they have accomplished a lot in 2006 and it has been a pretty cooperative effort with the Chamber of Commerce. They have been working with a Marketing Consulting Firm – Hill and Company and they have been working a lot on branding. Have also been working on marketing for our slow periods of time, mainly fall and spring time. They are recommending the formation of an Executive Director/Special Events Coordinator on a part time basis to start with and it would be a Town of Pagosa Springs employee funded by the lodging tax from the TTC. There are still some things that need to be clarified that they are working on.

5. **Liquor License Request for Colorado Wild – Special Event License** – Whitbred moved to approve, James seconded and with 5 ayes and 1 abstention (Council Member Simmons) the motion carried.

III. APPROVAL OF BILLS – Will be taken care of in January

IV. ADJOURNMENT Whitbred moved to adjourn, James seconded with 6 ayes the motion carried. The meeting adjourned at 1:25 p.m.

Ross Aragón
Mayor