



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

TOWN COUNCIL SPECIAL MEETING MINUTES
THURSDAY, JANUARY 22, 2015
Town Hall Council Chambers
5:00 P.M.

I. CALL MEETING TO ORDER – Mayor Volger, Council Member Alley, Council Member Bunning, Council Member Egan (5:06pm), Council Member Lattin, Council Member Patel, Council Member Schanzenbaker

II. PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE

III. PUBLIC COMMENT – Mayor Volger gave a brief explanation about the modified agenda that is will be used in an attempt to streamline the meeting. Mr. Bill Hudson shared the new border town letter to the editor. The author wrote about his experience in Pagosa and the marijuana he and his wife purchased. Mayor Volger read a letter of recognition to the town manager and department heads in their effort to complete annual evaluations. The Town Manager accepted the letter on behalf of the entire staff.

IV. CONSENT AGENDA

- 1. Approval of January 6, 2015 Meeting Minutes**
- 2. Approval of December Financial Statement and Accompanying Payments**
- 3. Liquor Licenses**
 - a. Liquor License Renewal – Rohrbacher Moore LLC dba Pagosa Springs Center of the Arts at 2313 Eagle Dr**
 - b. Liquor License Transfer – H& R license transfer from A Chivalrous Shark to The Western Slope Break Room at 2151 Eagle Dr**
 - c. Special Events Liquor Permit – Town of Pagosa Springs Dance and Fundraiser February 20, 2015 at the Ross Aragon Community Center 451 Hot Springs Blvd**
 - d. Special Events Liquor Permit – Pagosa Springs Youth Music Inc. Fundraiser March 5, 2015 at Ross Aragon Community Center 451 Hot Springs Blvd**

Council Member Egan moved to approve the consent agenda, Council Member Alley seconded, unanimously approved.

V. REPORTS TO COUNCIL

- 1. Featured Department Head Reports**
 - a. Parks & Recreation Department** - Through a partnership with Pagosa Springs Middle School and local instructor Jennifer Martin, we are again offering a gymnastics program for ages 3 and up this year. The program is averaging over nearly 40 participants per session. The youth basketball program for ages 9-12 began this week, there are 110 participants registered, up from last year. Registration for youth volleyball will begin later this month. The parks crew has been busy with snow-removal duties and has also been working to keep the skate pond open for the season.
 - b. Planning & Building Department** - The Historic Preservation Board re-elected Brad Ash as chair and Peggy Bergon as vice-chair for 2015. The projects the HPB will take on this year include the Mary Fisher statue and interpretive project, water reservoir property restoration at 92 Pagosa Street, completing property plaques, developing content for interpretive signs and web page, begin work in preparation for interpretive signs at overlook parking lot, replacement of main street mural, historic preservation month activities, public forum presentation and awards for successful alteration certificate projects (DeVore House at 480 Lewis St. and Hatcher-Nossaman House at 274 Pagosa St.). At the January 13, 2015 meeting, the Planning Commission elected

Ron Maez as chair for 2015 and Heidi Martinez as vice-chair. Funding for paving 2,000 lineal feet of Crestview Drive will be available from CMAQ as soon as July 1st, 2015. Staff has initiated surveying with Davis Engineering, and has estimated the project to be under \$400,000. Staff is compiling information for a temporary connection between Eagle Drive and Pike Drive, as a means to address the dangerous turn movements at Hwy 160 and Pike Drive. There may be a very large electric panel that will need to be moved if this connection is made. Staff is working to begin public and neighborhood meetings with residents around Piedra St. regarding the budgeted 2015 repaving project. The newly named Yamaguchi Lane is almost complete and the three year warranty will begin upon acceptance by the Town. The south side sidewalk has been poured on the 6th Street pedestrian bridge. Walmart's anticipated opening date is April 22, 2015. A 25% bond for landscaping and Alpha Dr. will be required before the temporary certificate of occupancy is release. CDOT is working to get power to the new Wolf Creek sign on the east end of town. The CDOT quarterly meeting will be held February 27th at 9am in Pagosa Springs.

2. **Sales Tax Brief** - November 2014 sales tax collections increased compared to November 2013. The Town collected \$255,427, an increase of 2.3%. For the current year, we continue to see an overall increase and year to date in 2014, sales tax revenue is now up 6.56% or \$198,982 compared to the same period in 2013.
3. **Lodgers Tax Brief** - The Town Tourism Committee elected Chirag Patel as chair and the county representative as the vice-chair, that representative has not been appointed yet. Through November, the 2014 lodging tax collections continued to show impressive growth. November 2014 was up 4.05%, or \$1,106, over November 2013. November 2014 marked the 12th month in a row with record collections, with collections up 16.89% over 2013. In 2014, Town Council asked the TTC to begin managing the operations of the visitor center. Since this time, the Town was able to make significant improvements to the property and reduce expenditures by \$31,500 compared to 2013 expenditures. Council Member Egan would like a presentation by the TTC to give the council the recommendation for upcoming marketing efforts.

VI. NEW BUSINESS

1. **Agreement with Mountain Studies Institute for Reservoir Hill Tree Thinning** - The San Juan Headwaters Forest Health Partnership/Mountain Studies Institute, in collaboration with the Town of Pagosa Springs, the Forest Health Company and the Southwest Conservation Corps, applied for and received a grant from the Colorado State Forest Service to help improve forest conditions on Reservoir Hill. The project will involve thinning of the forest on Reservoir Hill using mechanized equipment on gentle to moderate slopes, and hand thinning on steeper slopes. All activities and impacts will be monitored and assessed. Several public meetings were held to allow the public to see the proposed project and give comment. The cost for the project will be approximately \$111,000, the Town's share to be \$8,227. Thinning operations are tentatively scheduled to begin in February if the weather and snow cover allows, or May, if not May then it may be delayed until next winter. Thinning test patterns will be completed to give the public a visual of what the thinning will look like. This thinning will reduce trees to the recommended 100 stems per acres allowing more water for the remaining trees which produce healthier trees. Mr. JR Ford dispelled Council Member Egan's concern, in explaining that his company, FHC, will not be clear cutting the hill. There will be stumps remaining in some areas that may be 6"-12" in height. The parks department has not addressed the stump mitigation. Council Member Schanzenbaker is interested in the materials coming off the hill. The chips will be delivered to the Town, the logs will go to Forest Health Company with the exception of one load to the Town. The goal is to preserve the large trees on the hill, the smaller 12" diameter and less trees will be selected to be taken off the hill. Mr. JR Ford said there will be some material left on the ground, the amount of chips are estimated at 22 tons per acre. The total materials is estimated at 32 tons per acres, 10 tons of that material would be saw logs and the rest chips. Council Member Lattin moved to approve the M.O.U. and grant agreement with Mountain Studies Institute for the purposes of tree thinning on Reservoir Hill including the amendment, Council Member Alley seconded, unanimously approved.
2. **Elementary School Funding Request for New Playground Equipment** - Pagosa Springs Elementary School is in the process of replacing the last of its outdated playground

equipment near the south fields, an effort that has been ongoing for the past several years. Partners in Education (P.I.E.) raised funds for new equipment but have a \$3,000 shortfall. The Conservation Trust Fund used for parks and recreation carried an estimated \$64,000 into 2015 and is budgeted to spend \$23,000 and receive \$47,000 in 2015. Council Member Egan is concerned with setting a precedence for others to request funding outside of budget season. Council Member Bunning moved to approve funding of \$3,000 from the Town's Conservation Trust Fund for the purchase of new playground equipment at Pagosa Springs Elementary School, Council Member Patel seconded, unanimously approved.

3. **Town of Pagosa Springs Banking Services** - Council Member Lattin recused herself during this discussion and left the room. The Town has banked with Citizens Bank of Pagosa for many years. In 2011 Citizens Bank discontinued paying interest to the Town on the Public Funds held in Town accounts. After requesting and reviewing various bank proposals, the two primary determining factors that became apparent was the amount of interest and the fees proposed to be assessed. First Southwest Bank offers a higher potential interest rate and will not charge fees for almost all items. Mr. Kyle Cox, President of Citizen's Bank, said the services to the Town have always been at no costs. He said he appreciates the town banking with the Citizens. Mr. Bill Young, CFO of 1st Southwest Bank, appreciates the Town's consideration. Council Member Egan moved to direct staff to engage First Southwest Bank to provide banking services for the Town of Pagosa Springs, Council Member Schanzenbaker seconded, unanimously approved.

VII. OLD BUSINESS

1. **Ordinance 819, Second Reading, Accepting a Pedestrian Easement at 703 San Juan Street** - The Planning Director has been working with Citizens Bank President, Kyle Cox, for the last year to establish a pedestrian path along the northern boundary of 703 San Juan Street, across the parking lot surface at Hwy 160 to accommodate the connectivity to the new 8th Street intersection traffic light from South 7th Street. Staff has also just recently coordinated a plat dedicated pedestrian easement along the north 10 feet of the former City Market property at 755 San Juan Street that will connect with the Citizen's bank easement. Council Member Alley moved to approve the second reading of Ordinance No. 819, an ordinance of the Town of Pagosa Springs, accepting an easement for real property known as the North 10 feet of a tract of land lying and being a portion of Lots 1, 2 and 3 of Block 39 and the portion of San Juan Street as vacated under Ordinance 244, including an enlarged easement area at the north/east corner of subject tract of land, within the Townsite of Pagosa Springs, Council Member Bunning seconded, unanimously approved.
2. **Ordinance 820, Second Reading, Schedule Time, Date and Place of Regular Town Council Meetings** - Section 3.1 of the Town Charter requires the Town Council to hold regular meetings at least once a month and that the schedule for those meetings are made by ordinance, setting a time, date and place for the regular meetings. This Ordinance sets regular meeting for the first Tuesday and third Thursday of each month at 5:00pm. It also sets the location of Town Hall where the agenda will be posted. Council Member Schanzenbaker moved to approve Ordinance 820, second reading, identifying town council regular meeting dates, locations, times and agenda posting requirements, Council Member Egan seconded, unanimously approved.
3. **Ordinance 821, Second Reading, Accept Conveyance of Interest in Community Center from the Community Facilities Coalition** - In May 1, 2001, the Town of Pagosa Springs (Town) entered into an Agreement for Construction and Use of a Community Center with the Pagosa Springs Community Facilities Coalition, Inc. The agreement was the culmination of a community effort to devise and fund the construction of a community center. In 2014, 2014, Town staff and representatives of the Coalition began discussions about the operational structure and future of the Community Center with the goal of revising the Coalition bylaws and agreement. Effective January 1, 2015, the Town became the fiscal agent for the Community Center. The Board of Directors for the Coalition met and concluded it was in the best interests to dissolve and convey their 49% interest to the Town. Ordinance 821 conveys the Coalitions interest to the Town through a quitclaim deed and bill of sale. Council Member Egan moved to approve the second reading of Ordinance No. 821, an ordinance of the Town of Pagosa Springs accepting the quitclaim deed and bill of sale for real and personal property known as the Ross Aragon Community Center, Council Member Bunning seconded, unanimously approved.

VIII. PUBLIC COMMENT – None

IX. COUNCIL IDEAS AND COMMENTS – Council Member Alley said that during the council fiscal training, discussion should include government investment options. Mr. Jarrod Biggs with DOLA will be available the end of February to provide training to the council on government finance. Council Member Lattin would like to revisit the possibility of a spray park in Town. Council Member Bunning asked about a student on council, Town Manager Schulte said he has a meeting scheduled with the school administrator to discuss this topic.

X. NEXT TOWN COUNCIL MEETING FEBRUARY 3, 2015 AT 5:00PM

XI. ADJOURNMENT – Upon motion duly made, the meeting adjourned at 6:45pm.

**Don Volger
Mayor**