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**TOWN COUNCIL SPECIAL MEETING AGENDA  
WEDNESDAY, APRIL 6, 2016  
Town Hall Council Chambers  
551 Hot Springs Blvd  
5:00 p.m.**

- I. **CALL MEETING TO ORDER**
- II. **PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE**
- III. **PUBLIC COMMENT – *Please sign in to make public comment***
- IV. **CONSENT AGENDA**
  1. **Approval of the March 24, 2016 Meeting Minutes**
  2. **Liquor License**
    - a. **Liquor License Renewal – The Springs Hotel at 323 Hot Springs Blvd**
    - b. **Special Events Liquor Permit – Pagosa Springs Area Association of Realtors, Rummage Sale and Party in the Park at Town Park on April 30, 2016**
    - c. **Special Events Liquor Permit – San Juan Chapter Rocky Mountain Elk Foundation Fundraiser at Ross Aragon Community Center on May 21, 2016**
  3. **Earth Week Proclamation 2016**
  4. **Letter of Opposition to HB 16-1309, Municipal Court Unfunded Mandate**
- V. **NEW BUSINESS**
  1. **Retail Marijuana License, Growhouse Pagosa Springs at 2149 Eagle Drive**
  2. **Retail Marijuana License, San Juan Strains Inc. at 356 Pagosa Street**
  3. **Temporary Use Permit for Vending in Town Parks, Lifestyle Services, LLC**
  4. **Temporary Use Permit for Horse Drawn Carriage Business**
  5. **5<sup>th</sup> Street Bridge Update and Direction for Economic Impact and Traffic Analysis Studies**
- VI. **PUBLIC COMMENT – *Please sign in to make public comment***
- VII. **COUNCIL IDEAS AND COMMENTS**
- VIII. **NEXT TOWN COUNCIL MEETING APRIL 21, 2016 AT 5:00 PM**
- IX. **ADJOURNMENT**

**Don Volger  
Mayor**



# AGENDA DOCUMENTATION

## CONSENT AGENDA:IV.2

PAGOSA SPRINGS TOWN COUNCIL

APRIL 6, 2016

FROM: **BILL ROCKENSOCK, POLICE CHIEF**

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**PROJECT: LIQUOR LICENSE RENEWALS**

**ACTION: DISCUSSION AND POSSIBLE DECISION**

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### PURPOSE/BACKGROUND

Businesses granted liquor licenses by the State of Colorado and the Town of Pagosa Springs are required to renew their liquor license annually. The Town Council, as the Local Licensing Authority, has requested that the Police Department provide them with information on police contacts with these businesses in consideration of their renewal application.

Annually, the Police Department works with the Colorado Liquor Enforcement Division to conduct compliance checks on businesses within the Town of Pagosa Springs holding liquor licenses throughout the year, Officers do perform random checks/walk thru of businesses selling liquor in the town limits.

The vendors listed below have requested a renewal of their liquor license. Based upon a local records check, the Police Department has found the following:

**The Springs Hotel** – Since January 1, 2015, there were no documented liquor violations at The Springs Hotel at 323 Hot Springs Blvd.

### ATTACHMENT(S)

None

### RECOMMENDATION

It is the recommendation of the Police Chief that the Town Council:

- **Consider the above information when determining approval of liquor license renewals**



# A Proclamation by the Town Council of the Town of Pagosa Springs

**PROCLAIMING APRIL 16-23, 2016  
AS  
EARTH WEEK IN PAGOSA SPRINGS**

**WHEREAS**, Earth Day is Thursday, April 22, 2016; and

**WHEREAS**, Earth Day inspires many people and organizations to host environmental events to help raise awareness of important environmental issues during the month of April; and

**WHEREAS**, A multitude of individuals and organizations have environmental events planned in Pagosa Springs during the week of April 16-23, 2016, to include:

- Annual Plant and Garden Expo.
- Astronomy/Earth Day Fair.
- Business Cleanup/Recycling.
- Environmental Display at Library.
- Environmental Film Showing.
- Gardening Workshops.
- Growing Dome and Composting Tours.
- Life Long Learning Panel Presentation: Environmental Activism in Archuleta County.
- Loves & Fishes with environmental information dissemination.
- Nature Scavenger Hunt.
- PLPOA Earth Day Celebration.
- Reduce Your Carbon Footprint T-Shirt Printing.
- Sermon: Every Day is Earth Day.
- Trash Pickup/Walks.
- Tree Plantings.

**THEREFORE**, the Town Council of Pagosa Springs do hereby proclaim the week of April 16-23, 2016 to be Earth Week and all citizens and businesses in Pagosa Springs are encouraged to participate in any or all of these events in an effort to raise environmental awareness and to make Pagosa Springs a more environmentally sustainable place to live.

Attest:

Signed:

\_\_\_\_\_  
April Hessman, Town Clerk

\_\_\_\_\_  
Don Volger, Mayor

Senator Ellen Roberts  
Colorado State Senate  
200 East Colfax  
Denver, CO 80203

Representative J. Paul Brown  
Colorado General Assembly  
200 East Colfax  
Denver, CO 80203

Re: HB 16-1309

Dear Senator Roberts and Representative Brown:

On behalf of the citizens and Town Council of Pagosa Springs, we are conveying to you our opposition to HB 16-1309. As you may know, HB 16-1309 requires the presence of a public defender at each session of jail advisements.

We believe HB 16-1309 disproportionately effects rural communities, provides protections that are already in place, creates several unintended consequences, and is logistically near impossible to implement without adequate state funding.

We concur with the Colorado Municipal League's (CML) position paper that outlines the following reasons for why this legislation is inappropriate:

1. The appointment of counsel for defendants being held on municipal charges is already required under the U.S. Constitution and the Colorado Constitution. If the defendant is not released on a charge at the first appearance, the municipal court must appoint counsel. Currently, the attorney then appears at the next court appearance after time to review the case, meet with the defendant and formulate appropriate legal advice.
2. The appointment of attorney may result in a case to be unnecessarily continued. Many municipal cases are resolved at the first appearance, often with credit for time served or a fine. These defendants are then released. The presence of an attorney with no ability to advise a defendant will unnecessarily delay the process, since a continuance must occur to allow the attorney to review the case reports and file.
3. Most arrests occur after the defendant has failed to appear on a summons. Courts generally grant personal recognizance bonds (P.R. bonds) when the defendant has failed to appear a few times on a case; but after numerous missed court dates, the court must consider the unnecessary waste of taxpayer resources with numerous arrests for the same charge. The court then has good reason to keep the defendant in custody to resolve the case. Municipal cases are

often resolved at the first appearance allowing the court to release the defendant immediately with credit for time served or with an alternative sentence such as a fine or community service.

4. HB 16-1309 is unfunded state mandate.

This bill directly contradicts C.R.S. 29-1-304.5 which states:

*“(1) No new state mandate or an increase in the level of service for an existing state mandate beyond the existing level of service required by law shall be mandated by the general assembly or any state agency on any local government unless the state provides additional moneys to reimburse such local government for the costs of such new state mandate or such increased level of service. In the event that such additional moneys for reimbursement are not provided, such mandate or increased level of service for an existing state mandate shall be optional on the part of the local government.”*

Thanks for considering our views on this legislation and if you should have further questions, please don't hesitate to contact our Town Manager, Greg Schulte, for additional information.

Sincerely,

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Don Volger, Mayor

cc: Mehgan Dollar, CML



# AGENDA DOCUMENTATION

## NEW BUSINESS: V.1

PAGOSA SPRINGS TOWN COUNCIL

APRIL 6, 2016

FROM: TOWN STAFF

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**PROJECT: MARIJUANA BUSINESS LICENSE APPLICATION REVIEW FOR MOTHER SPRING MANAGEMENT LLC DBA GROWHOUSE  
PAGOSA SPRINGS AT 2149 EAGLE DRIVE**

**ACTION: REVIEW, PUBLIC COMMENT AND POSSIBLE ACTION**

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### APPLICATION REVIEW

Below is the staff review of the Retail Marijuana Establishment License application for 2149 Eagle Drive submitted by Mother Spring Management LLC dba Growhouse Pagosa Springs. Mother Spring Management LLC has an existing State of Colorado retail marijuana conditional license. They do not have a grow operation in Archuleta County nor do they have a contract with any Archuleta County growers to supply the required 70% flowered bud. It is the owner's intention to only sell concentrates, edibles, drinks and topicals until such time an Archuleta County source for flowered bud is available to them.

### PLANNING DEPT

#### Proposed Use:

The applicant proposes to operate a Retail Marijuana establishment at 2149 Eagle Drive, a 1050 square foot space. Proposed use of the space is retail sales of marijuana products with no attached growing operation. At the time of application, sales of dried marijuana flowers is NOT proposed at this time due to not having a local Archuleta County source to comply with the Town's 70% grown within the County regulation. The applicant has mentioned they intent to secure a local grow supply for future dried marijuana flowers.

#### Zoning:

The proposed marijuana establishment will be located within the Mixed Use Corridor (MU-C) District, and is an allowable use within the district, in compliance with the adopted 1000 foot and 250 foot required buffer distances. Pursuant to section 6.5.1.10 of the Town's marijuana licensing regulations, the following applies:

- 1) No known schools are within 1000 lineal feet of the subject property.
- 2) No known alcohol/drug treatment facilities are within 1000 lineal feet of the subject property.
- 3) No licensed day care facilities are within 1000 lineal feet of the subject property.
- 4) No residential zoned districts are within 250 lineal feet of the subject property.
- 5) No known churches are within 250 lineal feet of the subject property.

Below is section 6.5.1.10: Location Restrictions of the Town's Marijuana Licensing Regulations:

- (1) *Marijuana Establishments are allowed in the Mixed-Use Corridor, Mixed-Use Town Center, Commercial and Light Industrial zone districts.*
- (2) *No Marijuana Establishment shall be licensed to operate at a Location that is within 1000 feet from any school, alcohol or drug treatment facility or licensed day care facility whether located within or outside the corporate limits of the Town. The suitability of a Location for the Marijuana Establishment shall be determined at the time of the issuance of the first license for such business. The fact that changes in the neighborhood that occur after the issuance of the first license might render the site unsuitable for a Marijuana Establishment under this section shall not be grounds to suspend, revoke or refuse to renew the license for such business so long as the license for the business remains*

*in effect. Nothing within this section shall preclude the establishment of a school or licensed day care facility within 1000 feet of a pre-existing Marijuana Establishment.*

*(3) No Marijuana Establishment shall be licensed to operate at a Location that is within 250 feet of a church or residential zone district, as such zone districts are described in the Land Use and Development Code and as defined in the Archuleta County zoning definitions, unless such Location is approved under a conditional use permit by the Town Council at a public hearing with required public notification as described in Section 2.3.6 of the Land Use and Development Code.*

*(4) The distances referred to in this Section are to be computed by direct measurement from the nearest property line of the land used for the school or licensed day-care facility or land which comprises residential or planned unit development zoned area to the nearest portion of the building in which Medical Marijuana Establishment or Retail Marijuana Establishment products are to be sold.*

### **Exterior Lighting:**

The applicant is required to ensure all exterior lighting fixtures comply with the Town Lighting code. No new exterior lighting fixtures are proposed or included with the subject application. The applicant has been made aware that the existing exterior lighting does not comply with the Town's exterior lighting regulations, and they have agreed to ensure the fixtures are replaced with compliant fixtures.

### **Parking:**

The LUDC requires at least one parking space for each 300 square feet of building space for retail uses. The building unit has 1230 square feet, which equates to at least 4 parking spaces. The unit is part of the Century Plaza Owner's Association, which has a common shared parking area for the entire complex, and ample parking is provided. The entire association building size is 10,500 square feet requiring 35 spaces minimum. The shared parking area now contains 48 striped parking spaces.

### **Landscaping:**

The current parking lot landscaping on the property is located at the freestanding sign location. The quantity of landscaping at this location complies with the Town regulations, which requires one tree for each 5 parking spaces.

### **Signage:**

The applicant has provided a proposed sign that does not appear to comply with the Town's Marijuana Establishment regulations. Town Planning Staff has contacted the owner regarding the proposed sign, which included the word "Dispensary" and has a green cross. Staff provided direction regarding the current Town Council interpretation of the Town's regulations regarding the word dispensary being determined to be non-compliant and a 24" x 24" green cross being allowed. The applicant has stated they will provide a revised sign illustration if their Establishment License is approved. The unit has up to 25 square feet of exterior signage available to display.

Below is section 2.5.1.9.(L) of the Town's Marijuana Licensing Regulations:

*"Marijuana Establishments are subject to the requirements of the Land Use and Development Code including the Pagosa Springs Sign Code and the restrictions on advertising and marketing under the Colorado Retail Marijuana Code. In addition, no advertisement for marijuana or marijuana products are permitted on signs mounted on vehicles, hand-held or other portable signs, handbills, leaflets or other flyers directly handed to any person in a public place, left upon a motor vehicle or posted upon any public or private property. This prohibition shall not apply to (1) any advertisement contained within a newspaper, magazine or other periodical of general circulation within the Town or on the internet; or (2) advertising which is purely incidental to sponsorship of a charitable event not geared to or for the benefit of children or youth. Provided, further, no exterior signage shall use the word "marijuana," "cannabis" or any other word, phrase, symbol, acronym or combination of letters or numbers commonly understood to refer to marijuana."*

### **Trash Dumpster Screening:**

The property trash collection is along the north wall of the building. Each tenant / owner space has a rolling container for trash collection. The area along the north side of the building is fairly well screened from view due to the other nearby buildings. This area is also an area that collects substantial snow and ice, being on the north side of the building where the snow sheds from the roof. Due to the narrow width and potential damage from snow fall, it will be difficult to provide a screening area around each rolling container. Staff has asked the applicant for ideas for screening options.

### **ATTACHMENTS:**

- 1) 1,000 foot and 250 foot buffer maps.
- 2) Proposed Exterior Sign

### **PLANNING DEPARTMENT APPROVAL AND CONDITIONS**

The Planning Director has provided the below listed recommendations on items in which the Planning Department is directed to review for compliance with the Town's Marijuana Establishment Licensing regulations, for the Marijuana Licensing Authority's consideration:

- 1) Proposed exterior signage requires a sign permit application and possible Town Marijuana Authority's approval prior to installation. In addition, all interior signage visible from the exterior shall comply with the Town's Marijuana Establishment regulations and Town's LUDC.
- 2) A physical inspection of the exterior lighting is required to be requested and conducted, to confirm compliance with the LUDC exterior lighting regulations, at the time of installation and operation.
- 3) The applicant / property owner shall respond as to the ability to provide a "Screened Trash Collection Enclosure" prior to the Marijuana Establishment opening for business

### **SANITATION DEPT**

District staff has reviewed the application for Growhouse Pagosa Springs at 2149 Eagle Drive. This property is located within Century Plaza Owners Association Inc. Based on the information given by the applicant, it has been determined that the existing Equivalent Units (EU) for this building is sufficient for this retail establishment according to the rules and regulations of the District. The only special considerations are Section 5.9 and 11.2 of the Rules and Regulations which regards hazardous waste and general discharge prohibitions.

### **BUILDING AND FIRE DEPT**

The property owner has not submitted a building application and has not received a building permit for any type of interior or exterior modifications. The tenant claims that they will not be making any type of building modifications and/or improvements. The Building Department staff has reviewed the marijuana application. Presently, there are no issues with issuing the license in the existing building. For any construction, enlargement, alteration, repair, movement, demolition and/or change of occupancy, the owner or authorized agent shall first make an application to the building official and obtain the required permit. The Building and Fire Inspector will do a final inspection to check for proper egress with signage and fire extinguishers.

### **TOWN CLERK DEPT**

As provided in Town Code Section 6.5.5.2(2)(j), the applicant must confirm, at the time of submitting the application, that the proposed store will obtain 70% of its retail marijuana from an Archuleta County grow facility. In addition, Town Code Section 6.5.1.9(1)(v) requires every retail marijuana store operating within in Town to obtain 70% its inventory (not including infused products) from an Archuleta County located grow facility. The Town Clerk has not

received confirmation from the applicant that they are able to comply with the Town Code. Therefore, it is recommended that only edibles, drinks, topicals, and concentrates be allowed until such time confirmation for flowered bud sale within the Town Code requirements is received by the Town Clerk's office.

All required fees have been received.

The Clerk Office has been notified that the applicant has received a State of Colorado retail marijuana conditional license.

### **POLICE DEPT**

The Police Department has a three part review, as follows:

1. Background investigation (see attached memo)
2. Security Plan – The applicant have submitted a security plan, but none of the physical inspections have been completed. The Police Department made contact with the applicant February 3, 2016, the applicant informed the PD they were not prepared for an inspection
3. Site Inspection – Final inspection will be completed once all physical security systems are in place.

### **SAN JUAN BASIN HEALTH**

The San Juan Basin Health staff has been notified of this application and is prepared to complete a final inspection once the Town and State have issued their licenses.

### **RECOMMENDATIONS**

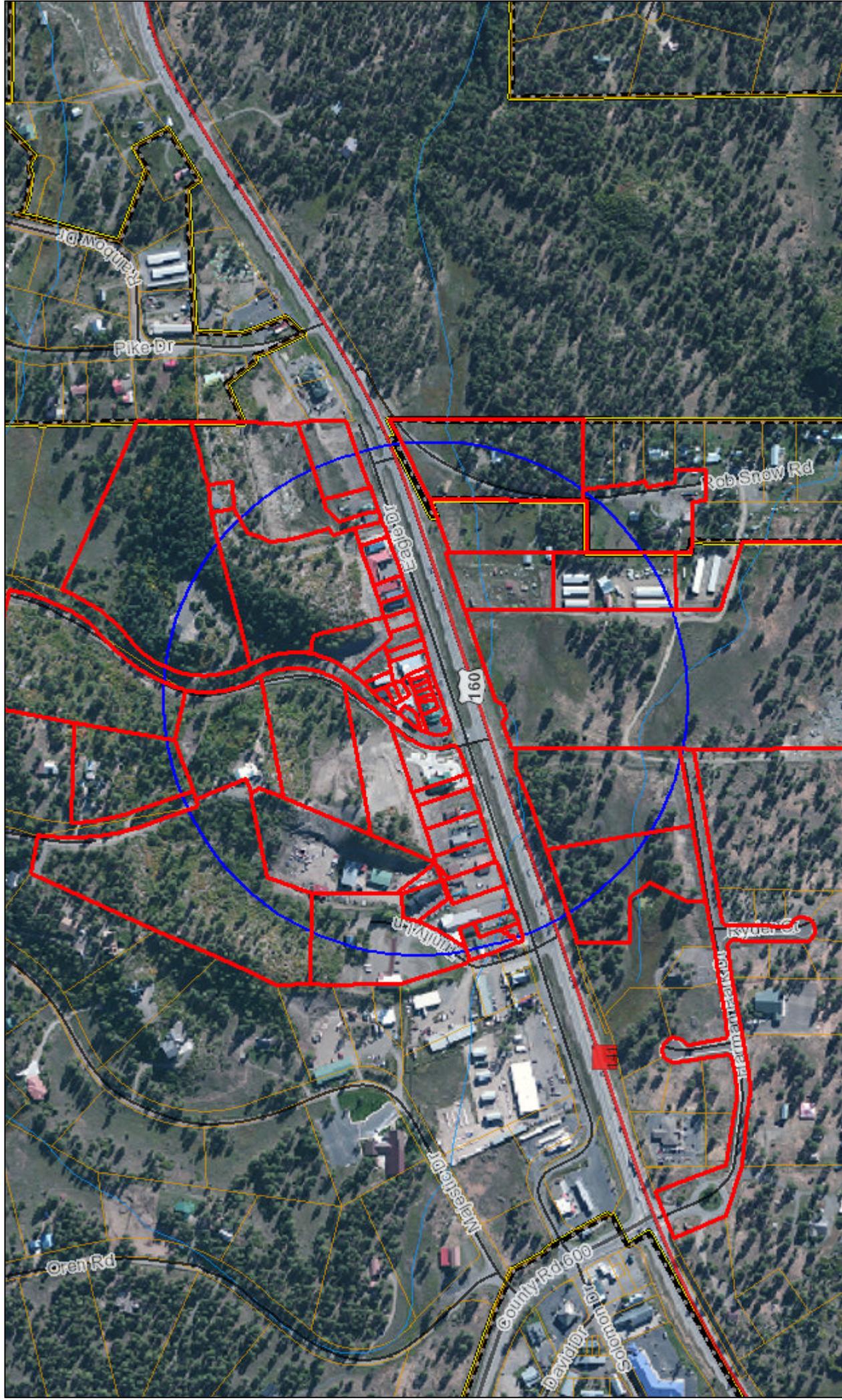
Possible action by the council include:

Move to approve the Marijuana Establishment License for Mother Spring Management LLC dba Growhouse Pagosa Springs at 2149 Eagle Drive contingent upon meeting the conditions and final inspections specified in this report

Or

Move to deny the Marijuana Establishment License for Mother Spring Management LLC dba Growhouse Pagosa Springs at 2149 Eagle Drive and direct staff

# 2149 Eagle Drive 1000 foot Buffer



Archuleta County Department of Information Systems

February 18, 2016

This map has been produced using various geospatial data sources. The information displayed is intended for general planning purposes and the original data will routinely be updated. No warranty is made by Archuleta County as to the accuracy, reliability or completeness

# 2149 Eagle Drive 250 foot Buffer



0 130 260 520 ft

1 inch = 176 feet  
1 inch = 0.03 miles



Archuleta County Department of Information Systems

February 18, 2016

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**GROWHOUSE**



# AGENDA DOCUMENTATION

## NEW BUSINESS: V.2

PAGOSA SPRINGS TOWN COUNCIL

APRIL 6, 2016

FROM: TOWN STAFF

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**PROJECT: MARIJUANA BUSINESS LICENSE APPLICATION REVIEW FOR SAN JUAN STRAINS INC. AT 356 PAGOSA STREET UNIT B**

**ACTION: REVIEW, PUBLIC COMMENT AND POSSIBLE ACTION**

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### APPLICATION REVIEW

Below is the Staff review of the Retail Marijuana Establishment License application for 356 Pagosa Street Unit B submitted by San Juan Strains, Inc. San Juan Strains, Inc. has an existing State of Colorado retail marijuana conditional license. They have applied and are in the process of obtaining an Archuleta County retail optional premises cultivation license to grow flowered bud for retail sale at 95 Industrial Circle in the Cloman Industrial Park. They plan to use their grow operation in Archuleta County to reach the 70% flowered bud Town requirement.

### PLANNING DEPT

#### Proposed Use:

Please note, the applicant is leasing a tenant space at the subject address. The tenant space is a newly created tenant space by the property owner. The property owner has been issued a building permit and has submitted a design review application that has been administratively approved with contingencies. Those contingencies must be performed by the property owner, separate from this marijuana establishment license, and include:

- 1) Landscaping prior to the end of the 2016 construction season.
- 2) Parking lot improvements prior to the end of the 2016 construction season.
- 3) The proposed new monument sign structure will be installed in compliance with the current Town sign code, providing sign space for the marijuana establishment.
- 4) Exterior lighting shall comply with Town regulations for shielding the light source.

Though these items are requirements for the property owner for their project permit approval, they are relative to the consideration of the marijuana establishment license application.

The applicant proposes to operate a Retail Marijuana establishment in a newly created 1250 square foot tenant space at 356 E. Pagosa Street, unit B, in the western portion of the building. The eastern portion of the building will house a restaurant. Proposed use of the tenant space is retail sales of marijuana products with no attached growing operation. The applicant is has indicated they are in the process of permitting a grow operation within Archuleta County

#### Zoning:

- 1) The proposed marijuana establishment will be located within the Mixed Use Corridor (MU-C) District, and is an allowable use within the district.
- 2) The 1,000 foot and 250 foot required buffer distances, pursuant to section 6.5.1.10 of the Town's marijuana licensing regulations, confirm the following:
  - No known Schools are within 1000 lineal feet of the subject property.
  - No known Alcohol/Drug Treatment Facilities are within 1000 lineal feet of the subject property.
  - No licensed Day Care Facilities are within 1000 lineal feet of the subject property.
  - No residential zoned districts are within 250 lineal feet of the subject property.

- No known churches are within 250 lineal feet of the subject property.

Below is section 6.5.1.10: Location Restrictions of the Town's Marijuana Licensing Regulations:

- (1) *Marijuana Establishments are allowed in the Mixed-Use Corridor, Mixed-Use Town Center, Commercial and Light Industrial zone districts.*
- (2) *No Marijuana Establishment shall be licensed to operate at a Location that is within 1000 feet from any school, alcohol or drug treatment facility or licensed day care facility whether located within or outside the corporate limits of the Town. The suitability of a Location for the Marijuana Establishment shall be determined at the time of the issuance of the first license for such business. The fact that changes in the neighborhood that occur after the issuance of the first license might render the site unsuitable for a Marijuana Establishment under this section shall not be grounds to suspend, revoke or refuse to renew the license for such business so long as the license for the business remains in effect. Nothing within this section shall preclude the establishment of a school or licensed day care facility within 1000 feet of a pre-existing Marijuana Establishment.*
- (3) *No Marijuana Establishment shall be licensed to operate at a Location that is within 250 feet of a church or residential zone district, as such zone districts are described in the Land Use and Development Code and as defined in the Archuleta County zoning definitions, unless such Location is approved under a conditional use permit by the Town Council at a public hearing with required public notification as described in Section 2.3.6 of the Land Use and Development Code.*
- (4) *The distances referred to in this Section are to be computed by direct measurement from the nearest property line of the land used for the school or licensed day-care facility or land which comprises residential or planned unit development zoned area to the nearest portion of the building in which Medical Marijuana Establishment or Retail Marijuana Establishment products are to be sold.*

**Exterior Lighting:**

The applicant is leasing the tenant space from the property owners, who are in the process of a full building remodeling project. The Planning Director is working with the property owners to ensure all exterior lighting fixtures comply with the Town Lighting code.

**Parking:**

The current parking lot surface condition is in need of repair. The property owner is aware of the LUDC requirement to provide a hard surfaced parking lot with defined parking space striping and is working with the Planning Department for completing this requirement during the 2016 construction season.

The LUDC requires at least one parking space for each 300 square feet of building space for retail uses. The total building has 6,441 square feet, which equates to at least 21 painted spaces. The property owner has confirmed he will provide the required on-site stripped spaces in coordination with the 2016 parking lot paving project.

**Landscaping:**

The current landscaping on the property has been slightly modified during the remodeling. The property owner is aware of the landscaping requirement includes one required tree for each 5 parking spaces. The Planning Director has met with the property owner who is aware that the landscaping shall be required to be installed during the 2016 planting season and regularly maintained.

**Signage:**

The applicant and property owner have submitted a sign permit application with proposed signage that includes a new freestanding sign and wall signs for the entire building, equaling no more than the allowable 100 sq. ft. The entire property has 100 lineal feet of frontage, thus, 100 square feet of available exterior signage for the entire property is allowed.

The marijuana store will have a 10 sq. f.t wall sign and 8.75 sq. ft. on the freestanding sign. The marijuana store sign content, see attached artwork, contains "San Juan Strains" and their logo. The proposed sign content conforms with the Town's Marijuana Establishment regulations.

Below is section 2.5.1.9.(L) of the Town's Marijuana Licensing Regulations:

*"Marijuana Establishments are subject to the requirements of the Land Use and Development Code including the Pagosa Springs Sign Code and the restrictions on advertising and marketing under the Colorado Retail Marijuana Code. In addition, no advertisement for marijuana or marijuana products are permitted on signs mounted on vehicles, hand-held or other portable signs, handbills, leaflets or other flyers directly handed to any person in a public place, left upon a motor vehicle or posted upon any public or private property. This prohibition shall not apply to (1) any advertisement contained within a newspaper, magazine or other periodical of general circulation within the Town or on the internet; or (2) advertising which is purely incidental to sponsorship of a charitable event not geared to or for the benefit of children or youth. Provided, further, no exterior signage shall use the word "marijuana," "cannabis" or any other word, phrase, symbol, acronym or combination of letters or numbers commonly understood to refer to marijuana."*

### **Trash Dumpster Screening:**

The property owner and applicant have been made aware of the LUDC requirement to provide a screened dumpster enclosure consistent in design and appearance as the primary structure, and has agreed to provide a design for Planning Department review and installation during the 2016 construction season.

The applicant is required to provide a locked trash container within this enclosure. Access to the trash enclosure may require an easement agreement with the neighboring property owner.

### **ATTACHMENTS:**

- 1) 1,000 foot and 250 foot buffer maps.
- 2) Proposed Exterior Sign

### **PLANNING DEPARTMENT APPROVAL AND CONDITIONS**

The Planning Director has provided the below listed recommendations on items in which the Planning Department is directed to review for compliance with the Town's Marijuana Establishment Licensing regulations, for the Marijuana Licensing Authority's consideration:

- 1) The applicant / property owner shall provide hard surfaced parking lot improvements with parking space stripping for at least 21 spaces, with a minimum of one ADA space, before the end of the 2016 construction season.
- 2) The applicant / property owner shall provide a landscaping improvement plan for Town's approval, to include replacement of removed live plantings and at least one tree per 5 parking spaces in or adjacent to the parking area. The Plan is due prior to August 31, 2016 for Town approval, for installation prior to September 30, 2016.
- 3) Any additional proposed exterior signage requires a sign permit application and Town approval prior to installation. Any interior signage visible from the exterior shall comply with the Town's Marijuana Establishment regulations and Town's LUDC.
- 4) A physical Inspection of the exterior lighting is required to be requested and conducted, to confirm compliance with the LUDC exterior lighting regulations, at the time of installation and operation.
- 5) The applicant / property owner shall install a "Screened Trash Collection Enclosure" prior to the Marijuana Establishment opening for business, and provide clarification regarding legal access to the enclosure.

## **SANITATION DEPT**

District staff has reviewed the application for San Juan Strains, Inc. at 356 Pagosa Street Unit B. Upon inspection, the number of EU's assessed is too low to accommodate the use for the entire building. The property owner was contacted March 7<sup>th</sup>, 2016 and made aware that an additional 8 EU's based on square footage will be assessed upon Certificate of Occupancy being provided. The only special consideration are Section 5.9 and 11.2 of the Rules and Regulations which regards hazardous waste and general discharge prohibitions.

## **BUILDING AND FIRE DEPT**

The property owner submitted a building application and received a building permit on November 16, 2015 for tenant improvements – addition of retail and office space. The new roof structure is supported by steel posts that will not be changed to allow for a 2-hour firewall to build through the truss line. The Building Department staff has reviewed the marijuana application and conducted several building inspections. Presently, there are no issues with issuing the license. The Building and Fire Inspector will complete a final inspection to check for construction compliance and safety - proper egress with signage and fire extinguishers. Construction is progressing and it is estimated that a final certificate of occupancy will be requested/provided within 60-days.

## **TOWN CLERK DEPT**

As provided in Town Code Section 6.5.5.2(2)(j), the applicant must confirm, at the time of submitting the application, that the proposed store will obtain 70% of its retail marijuana from an Archuleta County grow facility. In addition, Town Code Section 6.5.1.9(1)(v) requires every retail marijuana store operating within in Town to obtain 70% its inventory (not including infused products) from an Archuleta County located grow facility. The Town Clerk has received confirmation from Archuleta County that the applicant is in the process of obtaining a retail optional premises cultivation license to grow flowered bud for retail sale at 95 Industrial Circle in the Cloman Industrial Park. The applicant does not have an inventory and is planning to purchase outside the County for the first few months until the grow operation is established, but not purchase more than 30% during the license period in order to comply with the Town Code. The Town Code in this matter is silent as to whether the 70/30 requirement is effective upon the opening of the business, or whether the requirement is based upon annual sales.

All required fees have been received.

The Clerk Office has been notified that the applicant has received a State of Colorado retail marijuana conditional license.

## **POLICE DEPT**

The Police Department has a three part review, as follows:

1. Background investigation (see attached memo)
2. Security Plan – The applicant have submitted a security plan, but none of the physical inspections have been completed at this time. The Police Department made contact with the applicant February 3, 2016, the applicant informed the Police Department they were not prepared for an inspection.
3. Site Inspection – Final inspection will be completed once all physical security systems are in place.

## **SAN JUAN BASIN HEALTH**

The San Juan Basin Health staff has been notified of this application and is prepared to complete a final inspection once the Town and State have issued their licenses.

## **RECOMMENDATIONS**

Possible action by the council include:

Move to approve the Marijuana Establishment License for San Juan Strains, Inc. at 356 Pagosa Street Unit B contingent upon meeting the conditions and final inspections specified in this report

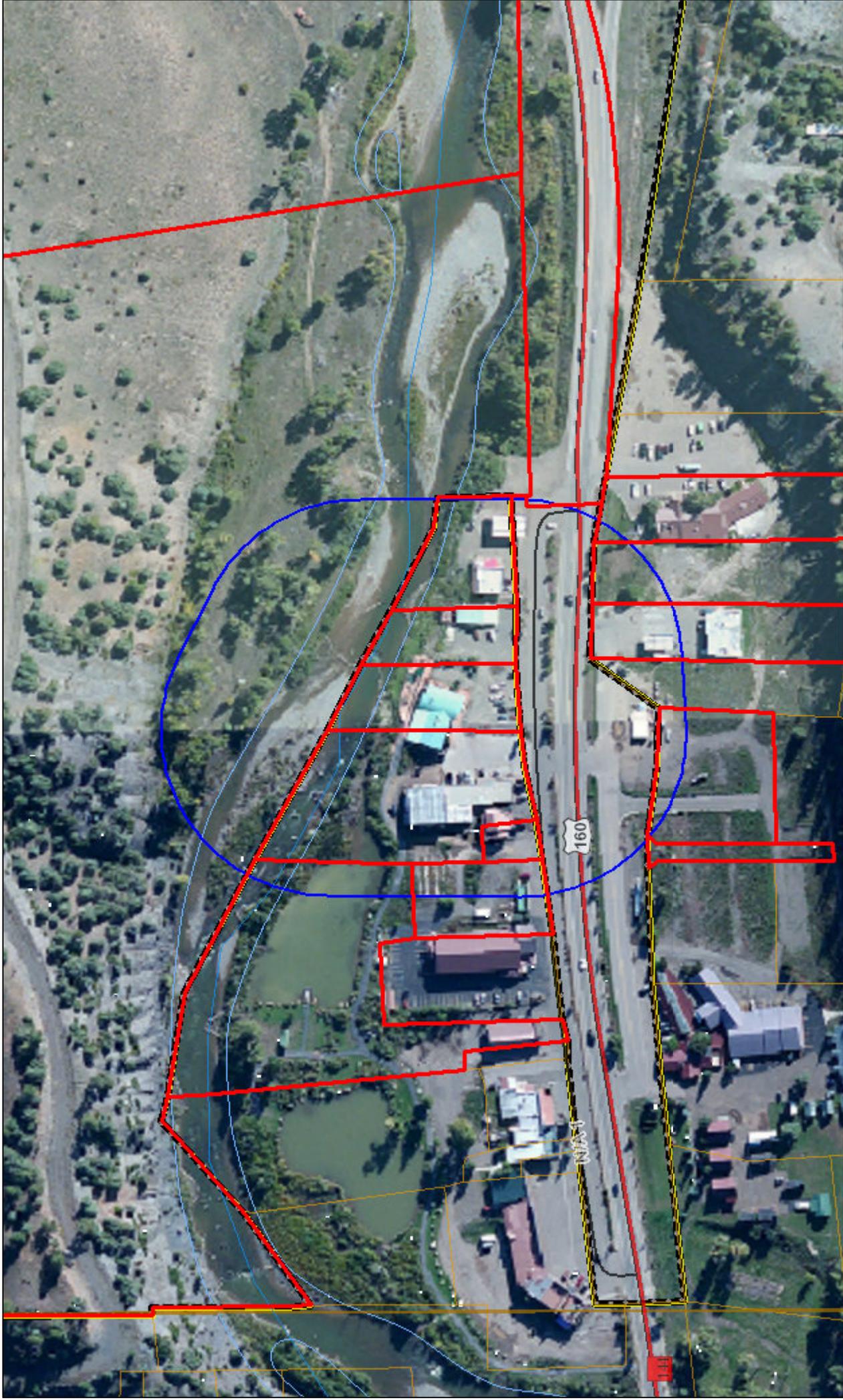
Or

Move to deny the Marijuana Establishment License for San Juan Strains, Inc. at 356 Pagosa Street Unit B and direct staff

# 356 E. PAGOSA STREET 1000 FOOT BUFFER



# 356 E. PAGOSA STREET 250 FOOT BUFFER



0 185 370 740 ft

1 inch = 244 feet  
1 inch = 0.05 miles

This map has been produced using various geospatial data sources. The information displayed is intended for general planning purposes and the original data will routinely be updated. No warranty is made by Archuleta County as to the accuracy, reliability or completeness

# SIGN PERMIT APPLICATION

TO SUBMIT THIS APPLICATION COMPLETELY AND DELIVER WITH THE APPROPRIATE FEE

BLANK TO  
TOWN OF PASADENA OFFICIAL SIGN PERMIT  
PO BOX 1506, PASADENA SPRINGS, CO 81142

OR  
PASADENA  
TOWN HALL  
101 NCT SPRINGS BLVD

PROJECT ADDRESS: 3566 Pajosa St OWNER'S NAME: LIFE LLC  
 NAME OF BUSINESS: San Juan Strains MAILING ADDRESS: PO Box 5163  
 PHONE: 970-570-0216 EMAIL: jo@sanjuanstrains.com  
 SIGN MANUFACTURER: Tree Messler PHONE: 970-946-6577

- Number of Signs:  1 to 3 signs  3 or more signs (Comprehensive Sign Program)
- Sign Zone:  Sign Zone #1: All Commercially Zoned properties 1<sup>st</sup> Street - 10<sup>th</sup> Street  
 Sign Zone #2: All Commercially Zoned properties except 1<sup>st</sup> Street - 10<sup>th</sup> Street  
 Sign Zone #3: All Signs in the Historic District or an Designated Historic Landmark Property  
 Sign Zone Residential: All Residential Zoned Districts

Total area allowed for all of your signs combined: The maximum was allowed is based on the amount of street frontage you have. You are allowed two square feet of sign area for every foot of street frontage. Corner lots may include 50% of additional street frontage. A 10% increase is allowed for signs in a Comprehensive Sign Program. Each Sign Zone has specific restrictions and requirements. Please see the Specific Sign Zone restrictions and requirements.

Primary Street Allowance: \_\_\_\_\_ ft. of Frontage  
 Maximum area allowed for all signs: \_\_\_\_\_ sq. ft. (may use 50% street sign space foot)



**SAN JUAN STRAINS**

37°, 107°

LIST ALL THE SIGNS INCLUDING THE TYPE OF SIGN, LOCATION, HEIGHT, AREA, AND (ALL) HANDS ON BOARD. THE SIGN MUST BE IN ACCORDANCE WITH THE SIGN PERMIT REGULATIONS AND REQUIREMENTS.

New / Existing	Type of Sign	Location	Height above grade	Area (sq. ft.)
1 New	WS	San Juan Strains	10'	10 sq. ft.
2 New	FS	San Juan Strains	15'	70 sq. ft.
3				
4				
5				

Application Fee For New or Existing Signs:  \$25 - One Sign  \$50 - Two Signs  \$75 - Comprehensive Sign Program

Total area of all permanent signs: 10 sq. ft.  
 Total area allowed for all of your signs: \_\_\_\_\_  
 Remaining area available for any future signage: \_\_\_\_\_

For a complete copy of Town of Pasadenas Sign Code & Sign Guidelines visit: [WWW.PASADENASPRINGS.COM](http://www.pasadenasprings.com) (Click on DOCUMENTS then SIGNS)

I HEREBY CERTIFY THE CONTENTS OF THIS APPLICATION TO BE CORRECT AND AGREE TO CONSTRUCT, ERECT, AND MAINTAIN THE SIGNS ACCORDING TO THE APPROVAL AS DESCRIBED AND ALL TOWN ORDINANCES. I HAVE RECEIVED AND REVIEWED A COPY OF THE TOWN SIGN REGULATIONS AND UNDERSTAND THAT ALL ADDITIONAL PERMANENT OR TEMPORARY SIGNS AND ANY SIGN CHANGES REQUIRE AN APPROVED SIGN PERMIT PRIOR TO DISPLAYING SUCH SIGNS.

OWNER'S SIGNATURE: \_\_\_\_\_ DATE: 1/20/16

REFER TO HISTORIC PRESERVATION REVIEW BOARD  REFER TO DESIGN REVIEW  
 APPROVED  DISAPPROVED



# AGENDA DOCUMENTATION

## NEW BUSINESS: V.3

PAGOSA SPRINGS TOWN COUNCIL

APRIL 6, 2016

FROM: JAMES DICKHOFF, TOWN PLANNING DIRECTOR

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**PROJECT: TEMPORARY USE PERMIT APPLICATION TO OPERATE VENDING BUSINESS IN TOWN PARKS**

**ACTION: DISCUSSION AND POSSIBLE ACTION**

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### PURPOSE/BACKGROUND

On March 07, 2016, The Town Planning Department Received a Temporary Use Application request from Mr. Jerry Hilsabeck of Lifestyle Services, LLC, requesting Town Council renew permission to operate a vending cart in Town owned park spaces for the 2016 summer season.

On May 21, 2015, Town Council formally approved the same cart operation proposal for the 2015 summer season, at two specific locations. Mr. Hilsabeck is again proposing to operate a vending cart to sell Snow-Cones, Ice Cream, Soft Drinks and Water and is requesting the following alternate locations for the one cart to operate:

- 1) Yamaguchi Park.
- 2) Town Park along river walk trail.
- 3) Just west of Hot Springs bridge, along river walk trail.
- 4) Goodman Park, only on July 4<sup>th</sup> during the parade.

The Town Parks and Recreation director, Daren Lewis, recently provided that no objections have been expressed from the Parks and Recreation commission or staff, regarding Mr. Hilsabeck operations in 2015 or his proposed operations for 2016. Mr. Hilsabeck also operated the vending business in Town Parks in 2014, again with no identified issues.

Vendors are permitted to operate on private property, with an administratively approved Temporary Use Permit (TUP) and Business Licenses with property owner permission, thus this request for Town Councils consideration, since the Town is the owner of the property proposed for use.

TUP's for Vendors are limited to no more than 6 months per year. In administratively processing a TUP application, town planning staff reviews the application/proposal and determines site specific conditions of approval for the proposed vending operation that typically includes at least; trash and litter control, traffic access, signage, on-site parking for vending and primary structure on the property, and mitigation of any perceived negative impact to neighboring properties. The TUP fee is \$50/month with a one-time .05 per square foot charge. Conditions of approval must be maintained otherwise the vendor could lose the right to continue to operate.

Per the Town's Home Rule Charter, The Town Council may approved License or Permit to operate on Town Owned property, Section 10.11 Revocable Permits or Licenses: states "Except as otherwise provided in this Charter, the Town may grant a permit or license at any time for the temporary use or occupation of any street, alley, other public way, or Town-owned place. Any such permit or license shall be revocable by the Town at any time and without cause, whether or not such right to revoke is expressly reserved in the permit or license".

## ANALYSIS

The Town Parks and Recreation Board and Staff have provided support for this proposal again this year, stating they did not identify any negative impacts to the park, park users or parks staff.

Similar to last year's TUP, the Planning Director suggests at least the following conditions be included in the TUP approval:

- 1) Vendor shall operate sales from a Town approved professionally manufactured cart (not a booth or table).
- 2) Vendor shall obtain and maintain in good standing a current Town Business License/Permit, State Sales Tax License and State Health Department license.
- 3) Vendor shall be limited to set up a vending operation at the locations identified in the approved attached map(s).
- 4) Vendor may transport cart along Riverwalk trail as long as they move off the trail to allow for pedestrians to pass.
- 5) Vendor shall not be permitted to place the cart on a trail or sidewalk during operation. Shade umbrellas shall not create a safety issue as far as height of umbrella not interfering with trail users and the anchoring of such. In addition, and area off of the pedestrian trail shall be provided to ensure guests queuing for service are not blocking the trail.
- 6) Vendor shall not operate in any Town Park during permitted special events.
- 7) Vendor is limited to operate the vending cart between 7am and 7pm daily and all equipment including the Cart, signage and umbrellas shall be removed daily at the end of the business operation.
- 8) Vendor shall obtain annual permit to operate on Town Property.
- 9) Vending Cart shall not exceed 36" in width, shall be equipped with pneumatic tires to enable the cart to travel off of the hard surface, without damaging turf.
- 10) Vendor shall provide a trash receptacle and shall provide daily and periodic disposal of trash from the site. Disposal of operational trash shall not be deposited into Park trash collection facilities.
- 11) Vendor shall provide proof of minimum insurance amounts determined by state legislation, with the town listed as a certificate holder.
- 12) A monthly reimbursement shall be made to the Town for electrical power consumption. Parks Staff will work with the applicant on the monthly reimbursement.
- 13) Extension power cords shall be limited to 10 feet in length from the power source to the cart and shall not run across any sidewalk or trail and shall be protected to prevent trip hazards.

## ATTACHMENTS:

- ~ Letter of Request from Mr. Jerry Hilsabeck.
- ~ Map(s) of proposed 4 vending cart locations.

## FISCAL IMPACT

The Temporary Use Permit will require the applicant to reimburse the Town for electrical power used for the operation of his vending cart.

## RECOMMENDATION

It is the recommendation of the Planning Department Director that Town Council discuss the applicant's proposal and staff's recommendation for Temporary Use Permit conditions. Below are three alternative actions, though Town Council is not limited to these three alternatives.

- 1) Approve a Revocable Temporary Use Permit for Lifestyle Services, LLC to operate a vending cart on Town Property in 2016 with Town staff's recommended conditions of approval to be included in the TUP.**
- 2) Approve a Revocable Temporary Use Permit for Lifestyle Services, LLC to operate a vending cart on Town Property in 2016 with Town staff's recommended conditions of approval to be included in the TUP, and the following additional conditions of approval as determined by Town Council.**
- 3) DENY a Revocable Temporary Use Permit for Lifestyle Services, LLC to operate a vending cart on Town Property in 2016.**

*Lifestyle Services, LLC., Boulder Coffee Cafe  
P.O. Box 3637, Pagosa Springs, Colorado 81147*

March 14, 2016

Attention: James Dickhoff

BOULDER COFFEE CAFE would like the opportunity to again host a snowcone, ice cream and beverage cart in the downtown park, the river walk, Yamaguchi Park and possibly some of the other areas in Pagosa Springs.

We would also like to have the cart in Goodman Park on July 4, 2016 during the parade.

We will offer drumsticks, ice cream sandwiches, popsicles and similar products found at the grocery store as well as a variety of cold drinks and water.

We do not plan on selling any other food products.

Our target groups are children and families playing and enjoying our Community Park and river.

Our vending cart is mobile, and as in the past, request the use of town park electricity, which we will reimburse the Town for.

In regards to trash; we will provide a trash receptacle and haul our trash away each day. We will also keep the area around our cart clean daily.

We would like to open around ten or eleven and close as the tourists dwindle each day and open 5 to 7 days each week starting in May and closing for the summer when the tourist trade slows down.

We will not leave the cart overnight. It will be taken from town premises each day.

It has been noted that we will not go past the walking bridge.

We are willing to stay away from particular community events that sell similar products when they occur with the hope we can set up somewhere else along the river walk. I really don't see much conflict on these events but will respect others that may think we may interfere with their events.

The size of the cart is not any wider than 36" and is between 6' long. I have measured the river walk width and it is 8' wide. The measurement under the bridge is 6' wide. I don't feel there would be any major encroachment upon pedestrian or bike traffic if we were to go down the riverwalk.

We have liability insurance for this project which has been e-mailed to the Town of Pagosa from Pagosa Insurance, with a follow up copy in the mail.

Our family believes this would not only be a good project for Boulder Coffee Cafe, but a fun experience for our locals and those who vacation here during the summer.

We also believe our effort the last two years were successful and we contributed to our community by providing a fun nostalgic resource. Being able to provide job opportunities for several high school girls was a great learning experience.

If there are any further questions or concerns you may have, please feel free to contact me, 970-759-4821.

Thank you,

Jerry Joe Hilsabeck



Eight Plant Rd

119

San Juan River

Terrazo

Yamaguchi Sports Complex

Existing Skate Park

Yamaguchi Park Location (approx)

13th St S

Google earth

© 2015 Google

1995

Imagery Date: 9/29/2013

37°15'20.72" N 107°00'39.71" W elev 7040 ft eye alt 8245 ft



Goodman Park Location

Town Park Location (Approx)

Riverwalk Location (Approx)

San Juan River

Hermosa St

Hot Springs Blvd

San Juan St

Park St

© 2015 Google

Google earth

1995

Imagery Date: 9/29/2013

37°16'01.88" N 107°00'31.31" W elev 7078 ft eye alt 8245 ft



# AGENDA DOCUMENTATION

## NEW BUSINESS: V.4

PAGOSA SPRINGS TOWN COUNCIL

APRIL 6, 2015

FROM: JAMES DICKHOFF, TOWN PLANNING DIRECTOR

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**PROJECT: TEMPORARY USE PERMIT APPLICATION TO OPERATE HORSE DRAWN CARRIAGE BUSINESS**

**ACTION: DISCUSSION AND POSSIBLE ACTION**

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### PURPOSE/BACKGROUND

On March 01, 2016, The Town Planning Department Received an inquiry regarding operating a Horse Drawn Carriage Business on the streets in Downtown with an area reserved for loading and unloading guest. Since then, the Planning Department has inquired with the Police Department, Streets Department and Parks Department regarding such proposal and their respective comments. Concerns expressed were of the use of the overlook parking lot for a staging area within the narrow eastern portion, however, the applicant revised the location of the proposed staging area within that lot.

On March 29, Planning Director met with the applicant regarding some of the concerns presented and asked the applicant to provide a revised plan and map of the proposed routes, with such revisions provided on March 30, 2016.

Town Council is required to provide approval for the use of its Town Streets and the appropriate permit to allow such a business with a Temporary Use Permit (TUP). A TUP typically contains conditions of approval that are required to be maintained throughout the life of such permit.

Vendors are permitted to operate on private property, with an administratively approved Temporary Use Permit (TUP) and Business Licenses with property owner permission, thus this request for Town Councils consideration, since the Town is the owner of the property proposed for use.

TUP's for Vendors are limited to no more than 6 months per year. In administratively processing a TUP application, town planning staff reviews the application/proposal and determines site specific conditions of approval for the proposed vending operation that typically includes at least; trash and litter control, traffic access, signage, on-site parking for vending and primary structure on the property, and mitigation of any perceived negative impact to neighboring properties. The TUP fee is \$50/month with a one-time .05 per square foot charge. Conditions of approval must be maintained otherwise the vendor could lose the right to continue to operate.

Per the Town's Home Rule Charter, The Town Council may approve License or Permit to operate on Town Owned property, Section 10.11 Revocable Permits or Licenses: states "Except as otherwise provided in this Charter, the Town may grant a permit or license at any time for the temporary use or occupation of any street, alley, other public way, or Town-owned place. Any such permit or license shall be revocable by the Town at any time and without cause, whether or not such right to revoke is expressly reserved in the permit or license".

### ANALYSIS

The Planning Director recommends the inclusion of at least the following conditions of approval be included in the TUP approval:

- 1) Vendor shall limit the operation of the proposed horse drawn carriage business along approved street routes as described in attached route map(s).

- 2) Vendor shall limit the staging area for the loading and unloading of guests in the areas as described in the attached route map(s).
- 3) Vendor shall obtain and maintain in good standing a current Town Business License, Temporary Use Permit, State Sales Tax License and State Department of Transportation Approval.
- 4) Vendor shall provide horse bags to catch horse droppings, and shall further provide daily cleanup and maintenance of staging areas and street routes.
- 5) Vendor shall provide proof of minimum insurance amounts determined by state legislation and maintain such insurance, with the Town listed as additionally insured and certificate holder.
- 6) Vendor shall not store carriage, animals or other equipment on Town Property after business hours. All equipment and animals shall be removed from town property at the end of each business day, and stored at an appropriate location.
- 7) Vendor shall not operate during Town permitted special events in a manner that negatively affects such events access and circulation.
- 8) Vendor is limited to operate the carriage operations between 7am and 7pm daily.
- 9) Vendor shall obtain an annual Business License and Temporary Use Permit to continue business operations in future years. The issuance of a Business License or Temporary Use Permit does not assure the approval to operate in future years.
- 10) The carriage business shall be operated in compliance with CDOT and the Modal Traffic Code regulations. All Accidents shall be reported to the police department immediately.

**ATTACHMENTS:**

- ~ Letter of Request from Cortney Schaffer
- ~ Maps of proposed carriage street routes and staging areas.

**FISCAL IMPACT**

There are no fiscal impacts expected.

**RECOMMENDATION**

It is the recommendation of the Planning Department Director that Town Council discuss the applicant's proposal and staff's recommendation for Temporary Use Permit conditions. Below are three alternative actions, though Town Council is not limited to these three alternatives.

- 1) Approve a Revocable Temporary Use Permit for Cortney Schaeffer, to operate a Horse Drawn Carriage Business on Town Streets and staging areas on town owned property, with Town staff's recommended conditions of approval to be included in the Permit.**
- 2) Approve a Revocable Temporary Use Permit for Cortney Schaeffer, to operate a Horse Drawn Carriage Business on Town Streets and staging areas on town owned property, with Town staff's recommended conditions of approval to be included in the Permit, with additional conditions as determined by Town Council.**
- 3) DENY a Revocable Temporary Use Permit for Cortney Schaeffer to operate on town owned streets and property.**

Print Options

Markup Tools

Circle

Polygon

Freehand Polygon

Format

Text

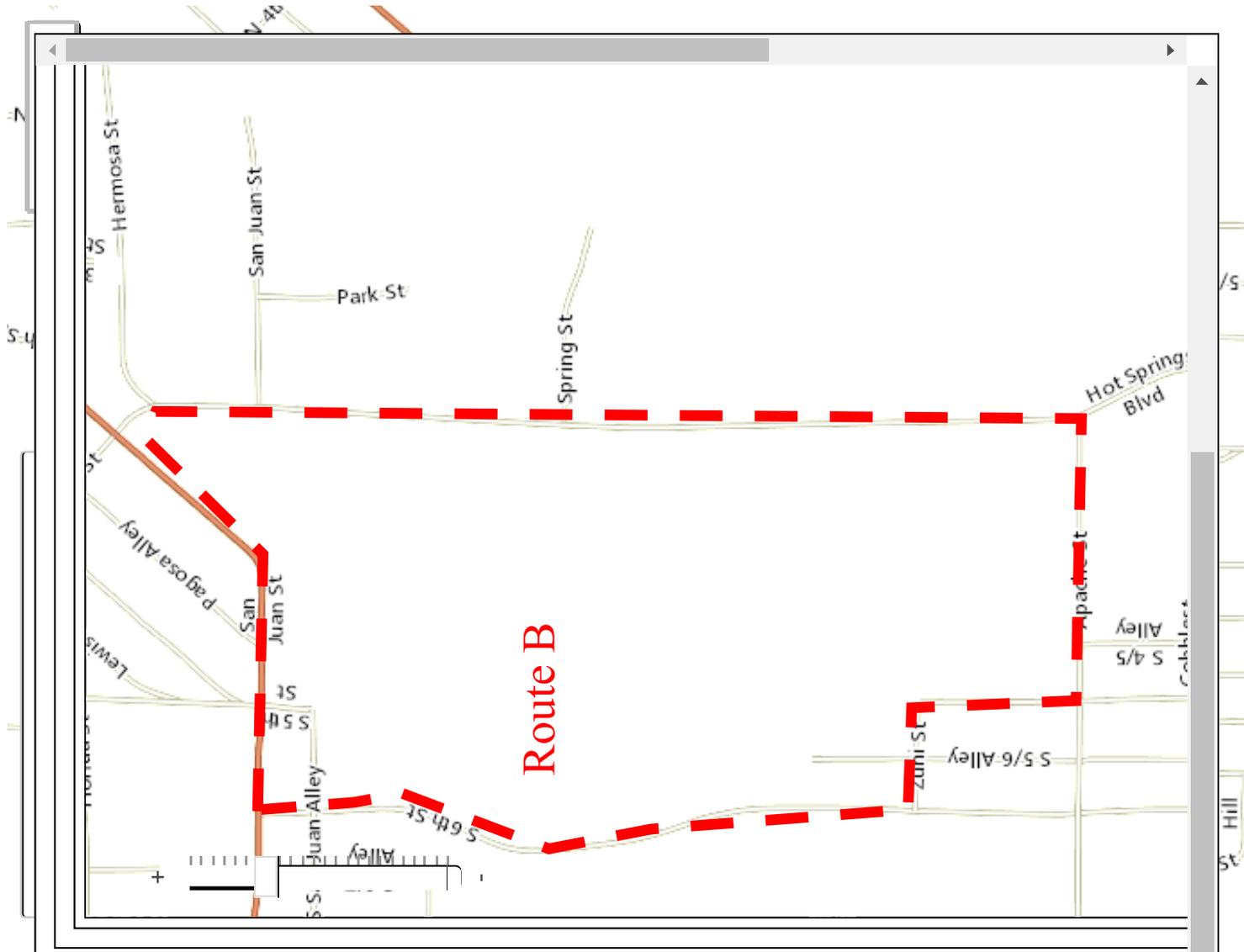
Text:

Route B

Format

Clear Drawing

Route B



Print Options

Title:

Format:

Layout:

Include legend:

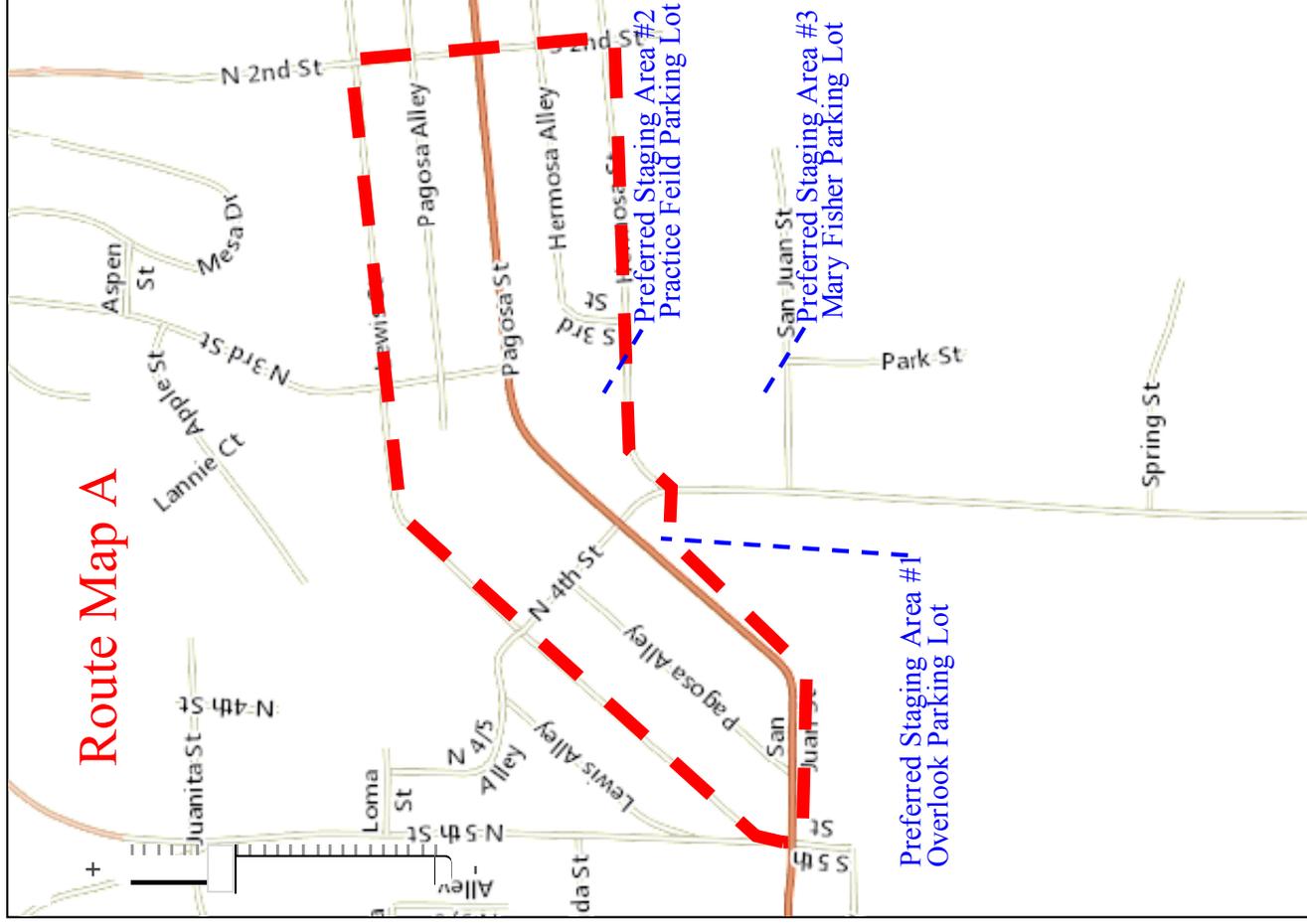
Include Parcel Info:

Map scale/extent:

1. Route Map A
2. Route Map A

Markup Tools

# Route Map A



Date: March 30, 2016

### Pagosa Carriage Company Proposal

To provide recreational tours of Pagosa to the public Including local information and historical facts.

#### Times of Operation:

Seasonal May 29<sup>th</sup>- September 30<sup>th</sup>.

Friday 3-7pm (4 hours), Saturday 12-6pm (6 hours), Sunday 12-4 (4hours).

Occasional Mondays for holiday weekends- 4 hours.

Maximum number of passengers, not including driver, 5.

The carriage will be equipped with lights, hydraulic brakes, and slow moving triangle.

Horse manure would be caught in a "catch it" bag and disposed of properly on my property in my compost pile.

I am asking for your consideration to allow me to use town roadways and an area for staging/picking up passengers.

Possible pick up location #1: This location would give me the most visibility and would be my first choice. I am asking to reserve one parking spot starting Friday morning until Sunday afternoon each weekend. I would post the sign and caution cone myself early Friday morning. Reserve either the last spot on the right side of the parking area or the last spot on the left side.

Possible pickup location #2: This location would be off of Hermosa Street. I would have a secondary pickup location opposite the river in the parking area off of San Juan st, when activities in the park prevent me from using that area.

Possible Routes- See maps #2 and #3

Horse and carriage would be stored at my property, 714 Pineview Rd.

I would trailer horse and carriage to town to provide rides. ( I am working on a location closer to town to store the carriage, if that works out I will provide the address promptly)

I have 19 years' experience driving teams and working with horses.

My contact information:

Cortney Schaefer

PO Box 413, Pagosa Springs, CO 81147

[970-485-3905](tel:970-485-3905)

[cortney.schaefer@gmail.com](mailto:cortney.schaefer@gmail.com)



# AGENDA DOCUMENTATION

## NEW BUSINESS: V.5

PAGOSA SPRINGS TOWN COUNCIL

APRIL 6, 2016

FROM: GREGORY J. SCHULTE, TOWN MANAGER

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**PROJECT: 5TH STREET BRIDGE UPDATE AND DIRECTION FOR ECONOMIC IMPACT AND TRAFFIC ANALYSIS STUDIES**

**ACTION: DISCUSSION AND POSSIBLE ACTION**

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### PURPOSE / BACKGROUND

In 2012 the Town executed a 10 Year Vested Rights Agreement with the Springs Partners (Partnership) that guides the development of a vacant 27 acre parcel located between the Springs Resort and the Town Hall/Community Center. The Agreement contemplated two possible development scenarios. The first (Sketch Plan A) is with a bridge and connection road over the San Juan River at 5<sup>th</sup> Street and the second is development of the parcel without a bridge (Sketch Plan B). The Agreement specifies the Town would pay for the cost of the bridge and connection road and place it in the Town's 2017 Capital Improvement Plan (CIP). The Partnership approached the Town in 2015 to ascertain if the Town would be building the bridge and connection road. Negotiations ensued about under what conditions or if the Town should build the bridge and connection road. On March 17th, a public meeting was held with the Town Council to take feedback from the public and to elicit comment from the Council as well.

The comment on the bridge and connection road was wide ranging, but a common theme from the public and Council was there was not enough information available as to the need and viability of the investment in a bridge and connection road. Direction was given to staff to explore the possibility of initiating an economic impact study as well as a traffic analysis regarding the need of the bridge.

Economic Impact Study: At the public meeting it was disclosed that the bridge and connection road would cost between \$6.5 million and \$7.5 million. A frequent comment at the meeting was whether the cost of the bridge would yield a reasonable return on investment. It was asserted that the development would add jobs, sales and property taxes, and add to the vibrancy of the existing downtown area. However, it was suggested that it might be worthwhile to commission a study to verify those statements. Staff contacted Region 9 as well as a sampling of consultants that perform such work and received the following information:

- There are firms able to perform this work, both Front Range and local (Four Corners area).
- Once commissioned to perform the work, it would take approximately one month to complete.
- The cost could be in the approximate range of up to \$20,000.

Traffic Analysis: The proposed development under either Sketch Plan A or B would involve about 500,000 sq. ft. of development. It is reasonable to assume that most of the traffic associated with the development would be utilizing the Hot Springs vehicular bridge to access Hwy 160. In addition, there are other vacant parcels along Hot Springs Blvd that, if developed, would more than likely use the Hot Springs Bridge for access to Hwy 160. It has been suggested that a bridge is not needed to accommodate the build out of the identified parcels and the current bridge could handle the additional traffic. Staff was directed to investigate the possibility of having a traffic analysis performed to ascertain this assertion. The analysis can be performed to answer two questions, as follows:

1. If build-out occurs on the vacant parcels, based upon the known uses, what traffic would be generated and how would that impact the Hot Springs Bridge? Would the trip generation cause to the Level of Service (LOS) to fail at some point?
2. If a bridge existed at 5<sup>th</sup> Street with a connection road to Hot Springs Blvd, how would that impact the traffic circulation assuming the buildout?

Staff consulted with CDOT traffic engineering staff and procured a list of three different firms that specialize in this type of traffic analysis. The feedback from the firms was:

- The 2 questions involve separate work.
- The first question is simpler and therefore less expensive and less time consuming.
- The minimum amount was estimated at \$10,000 and as much as \$20,000.
- The approximate time frame would be a month.

Hotel Market Study: At the public meeting it was also disclosed that the Partnership had been approached by a hotel developer interested in examining the feasibility of building a flagged hotel within the 27 acre development. It was conveyed at the public meeting that the hotel developer did not believe a flagged hotel would agree to place a hotel on the property without the bridge. In addition, due to the size of the community, a market study would need to be conducted to ascertain the viability of a hotel. At the time of this writing, it's our information the Partnership has agreed to fund the hotel market study.

#### ATTACHMENTS

- None

#### FISCAL IMPACT

If the Town were to engage the services of a consultant to perform both studies, the fiscal impact is going to range from up to \$40,000.

#### 2016 TOWN COUNCIL GOALS & OBJECTIVES

Included in the Town Council's adopted 2016 Goals & Objectives are Goals #2 and 3. Goal #2 is to "Recognize and value downtown as the community's heart." Furthermore, there is the specific action of "Construct the 5<sup>th</sup> Street Vehicular Bridge" within Objective 2.2 of "Expand and Rehabilitate the Downtown Streets and Sidewalks." In addition, Goal #3 is to "Promote a vital local economy by supporting economic development and tourism."

#### RECOMMENDATIONS

Possible actions by the Town Council include:

1. **"Move to direct staff to pursue economic impact and traffic analysis studies and allocating an amount not to exceed \$40,000."**
2. **Move to NOT pursue and economic impact and traffic analysis studies.**
3. **Direct staff.**



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

**PAGOSA SPRINGS SANITATION  
GENERAL IMPROVEMENT DISTRICT  
SPECIAL MEETING AGENDA  
WENESDAY, APRIL 6, 2016  
Town Hall Council Chambers  
551 Hot Springs Blvd  
5:00 p.m.**

- I. **CALL MEETING TO ORDER**
- II. **CONSENT AGENDA**
  1. **Approval of March 24, 2016 Meeting Minutes**
- III. **PUBLIC COMMENT** – *Please sign in to make public comment*
- IV. **NEW BUSINESS**
  1. **Consideration of Approval of PSSGID/PAWSD Mediation Deal Points with Possible Executive Session Pursuant to C.R.S. Section 24-6-402(4)(b) Conference with the attorney for the PSSGID for the purpose of receiving legal advice regarding the Sewer Pipeline Intergovernmental Agreement between the Pagosa Area Water and Sanitation District (PAWSD) and the Pagosa Springs Sanitation General Improvement District (PSSGID)**
- V. **OLD BUSINESS**
  1. **TOWN/PAWSD Pipeline Update**
- VI. **NEXT BOARD MEETING APRIL 21, 2016 AT 5:00PM**
- VII. **ADJOURNMENT**



# AGENDA DOCUMENTATION

## REPORTS TO BOARD: IV.1

PAGOSA SPRINGS SANITATION BOARD OF DIRECTORS

APRIL 6, 2016

FROM: GREGORY J. SCHULTE, TOWN MANAGER

**PROJECT: CONSIDERATION OF APPROVAL OF THE PSSGID/PAWSD MEDIATION DEAL POINTS**

**ACTION: DISCUSSION AND POSSIBLE ACTION**

### BACKGROUND

In 2012 both Pagosa Springs Sanitation and General Improvement District (GID) and Pagosa Area Water and Sanitation District (PAWSD) executed an Intergovernmental Agreement (IGA) that specified roles and responsibilities in regards to the construction and operation of the sewer pipeline construction project that would convey the Town’s effluent to be treated by the PAWSD Vista Treatment Plant. Construction of the pipeline was initiated and as of this writing in nearing completion. The IGA was amended once in 2015 and PAWSD was pressing for further amendments to the IGA which were discussed at a staff level without conclusion.

In December 2015, the PAWSD Board exercised the Non-Appropriation clause in the agreement to terminate the agreement. At a Special Meeting on December 22<sup>nd</sup>, the GID Board adopted a resolution authorizing staff and legal counsel to pursue litigation against PAWSD to resolve our assertion of non-compliance and presumption of good faith. After exchange of several written statements between both parties, the GID Board authorized entering into mediation with the goal of settling the differences. The GID Board designated the mediation negotiation team as Mayor Volger, Board Member Bunning, Manager, Greg Schulte, and Sanitation Supervisor Gene Tautges. David Smith, and attorney from Durango, was mutually accepted by both parties as mediator.

The mediation was held on the 23<sup>rd</sup> and after a full day the teams from PAWSD and the GID arrived at a set of deal points that are attached as Exhibit A. The full board of PAWSD was able to convene that evening of the 23<sup>rd</sup> and endorsed the proposed deal points. Both sides agree that the deal points serve only as a framework for composing a full restated IGA.

### ATTACHMENTS

- EXHIBIT A: MEDIATION DEAL POINTS
- Exhibit B: Hypothetical GID Budgets Incorporating Deal Points Assumptions (To be delivered)

### FISCAL IMPACT

The fiscal impact is difficult to estimate because it involves many different factors. However, a summary of the major financial changes are as follows and are portrayed in **green** as positive financial changes to the GID and in **red** as negative changes to the GID compared to the original IGA:

- |   |  |
|---|--|
| - Existing Plant Capacity Made Available to GID at No Charge: | <b>\$1.4 million est. in a one-time charge</b> |
| - GID pays for energy costs for Pump Station #2:              | <b>\$60,000 est. annually</b>                  |
| - PAWSD Loan interest changes to fixed rate of 3.42%:         | <b>Unknown</b>                                 |
| - GID to perform routine maintenance for Segments A & B:      | <b>\$10,000 est. annually</b>                  |
| - GID to reimburse PAWSD for extraordinary maintenance:       | <b>Unknown</b>                                 |
| - GID to pay pro rata share of future expansion costs:        | <b>Unknown</b>                                 |
| - GID to receive credit for extra PS #2 costs                 | <b>\$4,500</b>                                 |

A significant financial advantages for the GID are the waiver of the one-time charge of about \$1.4 million that would have been normally assessed for a “plant investment fee.” In addition, there is the potential money saved by having a fixed interest rate over the 20 year life of the loan. The interest savings is quite speculative as it is difficult to assess what the interest rate would have been over a 20 year period compared to the variable rate specified in the IGA that was capped at 7%. It’s also dependent on what manner of investments the PAWSD Board would consider presently and 20 years into the future.

However, the energy costs of approximately \$60,000 per year as well as removing the plant investment fee from the annual revenue to hold in trust for future contributions to PAWSD for expansion costs, have left the GID annual operating budget structurally unbalanced. Staff has prepared a hypothetical GID annual budget that incorporates the Deal Points and it results in a structural deficit of varying amounts or essentially balanced depending on several assumptions, as follows:

- Eliminate the bookkeeping transfer of \$25,000 to the General Fund.
- Either keeping or subtracting the Plant Investment Fees in Operating Revenues.
- Pay down the PAWSD loan with reserves to lower the debt service obligation.
- Raise the monthly sewer amount by varying amounts to close whatever gaps may remain.

Staff is providing Hypothetical Budget Scenarios as Exhibit B and will be explaining them at the meeting.

#### **RECOMMENDATIONS**

The GID Board may consider the following courses of action:

1. Accept the Deal Points as presented and direct staff and legal counsel to work with the PAWSD staff and legal team to proceed with completing a restated full IGA.
2. Reject the Deal Points as presented and accept legal advice on next steps.
3. Direct staff and legal counsel otherwise.

Deal points:

O and M and ownership of Segment A and B:

- PSSGID shall provide for emergency storage through grant funded Tank and leave third lagoon available for emergencies until tank online
- PSSGID owns Segments A and B
- PSSGID insures Segments A and B
- PAWSD shall not use any capacity in Segment B and the capacity in Segment B is reserved to PSSGID
- At such time that PAWSD connects Lift Station 18 to an independent transformer, then PSSGID will take over electricity, costs and transfer meter to PSSGID for Segment B.
- O and M responsibilities
  - PSSGID Sanitation Supervisor is to be the representative in charge of maintenance.
  - PSSGID Sanitation Supervisor is to do day to day one man operations
  - PSSGID Sanitation Supervisor is employee of PSSGID
  - PAWSD will provide assistance for O and M as necessary for work that requires additional manpower or equipment and in cases of emergencies associated with Segments A and B including but not limited to breaks in Segment A or B pipeline
  - PASWD shall bill monthly PSSGID for actual costs and expenses associated with PAWSD maintenance work on Segments A and B
  - PSSGID is to provide PAWSD as additional insured on insurance for Segments A and B
  - SCADA will be a PSSGID system paid for and operated by PSSGID with coordination with PAWSD

Capacity:

- Existing plant capacity shall be made available to PSSGID at no charge.
- When CDPHE directs that construction needs to begin for necessary plant expansions or modifications, the parties shall identify pro rata contribution to expansion or modification costs based upon each parties relative percentage usage of total hydraulic flow

Loan:

- Promissory note with standard terms to cover the loan
- Parties agree to specific fixed loan rate of 3.423%
- Loan accrues interest on funds advanced from dates money advanced to PSSGID
- Initial loan payment of the lesser amount of either accrued interest or \$163,000 to be made on November 30, 2016.
- Interest accrued before 2015 will be based on each year's LOIF
- Unpaid initial interest, if any, after November 30, 2016 payment is capitalized into overall loan

- Amortized loan commences December 1, 2016 with first payment due on or before November 30, 2017
- PSSGID engineer will determine additional costs to Pump Station 2 due to lift station 18 connection and said costs will be deducted against accrued interest
- PSSGID will receive a construction credit for not removing lift station 18

Committee:

- The parties agree to amend the IGA to remove the Committee

TABOR

- Provided PSSGID obtains an opinion letter from Dee Wisor that PAWSD sewer enterprise is not subject to TABOR, then the Tabor non-appropriation provision is deleted

IGA

- The parties will incorporate deal points into an amended or restated IGA which will be approved by each board.



# AGENDA DOCUMENTATION

## OLD BUSINESS:V.1

PAGOSA SPRINGS SANITATION BOARD OF DIRECTORS

APRIL 6, 2016

FROM: GENE TAUTGES, SANITATION SUPERVISOR

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**PROJECT: PAWSD/PIPELINE UPDATE REPORT**

**ACTION: DISCUSSION**

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The contractor has picked up and returned the hoist that was specified and turned out didn't fit into the pump station buildings. We are waiting for a submittal from the subcontractor on a solution that will solve this problem.

Staff is aware of the following items regarding the project to make you aware of.

1. An additive change order for the new hoist solution mentioned above at both pump stations. Amount unknown at this point but expected to be less than \$10,000.
2. An additive change order for landscaping promised to the Colorado Timber Ridge Homeowners Association for approximately \$6,000 which was not included in the contractor's scope of work.
3. There is a portion of reseeding performed by Horizon Environmental that will need to be redone as the initial effort didn't take. There will be **no cost** involved here as it is in the contract.
4. There is also a question brought up by a property owner regarding the re-fencing of an easement. We are currently looking into that question and will report our findings.

We have scheduled a meeting on April 7<sup>th</sup> with the contractor, SCADA subcontractor, project engineer, and staff to discuss the remaining SCADA questions in hopes of moving forward with a solution.

The Small Community Grant Program is moving forward and we hope to have an agreement from the State ready for Board approval by the end of April. Since this is a deal point mentioned during the mediation session, staff wants to stay on track and complete the engineering, obtain state approval, go out to bid, and construct the enlarged storage vault all before the end of the year if at all possible.

Respectfully submitted,  
Gene Tautges  
Sanitation Supervisor