



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

**TOWN COUNCIL MEETING AGENDA  
THURSDAY, APRIL 21, 2016  
Town Hall Council Chambers  
551 Hot Springs Blvd  
5:00 p.m.**

- I. **CALL MEETING TO ORDER**
- II. **PUBLIC COMMENT** – *Please sign in to make public comment*
- III. **CONSENT AGENDA**
  1. **Approval of the April 6, 2016 Meeting Minutes**
  2. **Approval of March Financial Statement and Accompanying Payments**
  3. **Liquor Licenses**
    - a. **Liquor License Renewal - The Western Slope Break Room at 2151 Eagle Drive**
    - b. **Liquor License Renewal – Ajia Asian Cuisine & Spirits at 180 E Pagosa Street**
    - c. **Liquor License Transfer – Thai Chilee of Pagosa Springs to Thai Cortez LLC dba Thai Pagosa at 565 Village Drive Suite D**
    - d. **Special Events Liquor Permit – FolkWest Inc. Folk n’ Bluegrass Festival June 3, 4, & 5 at Reservoir Hill Park**
    - e. **Special Events Liquor Permit – Pagosa Multi-Purpose Pavilion Fundraiser Event April 28 at Liberty Theatre**
  4. **Proclamation Sexual Assault Awareness Month**
  5. **East End Riverwalk Repaving Contractor Award**
  6. **Centennial Park Restrooms Change Order**
- IV. **REPORTS TO COUNCIL**
  1. **Featured Department Head Reports**
    - a. **Maintenance Department**
    - b. **Building and Fire Safety**
  2. **Sales Tax Brief**
  3. **Lodgers Tax Brief**
- V. **NEW BUSINESS**
  1. **Ordinance 839, First Reading, Temporary Moratorium on Licensing Marijuana Establishments**
- VI. **PUBLIC COMMENT** – *Please sign in to make public comment*
- VII. **COUNCIL IDEAS AND COMMENTS**
- VIII. **NEXT TOWN COUNCIL MEETING MAY 3, 2016 AT 5:00 PM**

**IX. ADJOURNMENT**

**Don Volger  
Mayor**



# AGENDA DOCUMENTATION

## CONSENT AGENDA:III.2.b

PAGOSA SPRINGS TOWN COUNCIL

APRIL 18, 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:

**Ajia Asian Cuisine** – Since January 1, 2015, there were no documented liquor violations at Ajia Asian Cuisine and Spirits, located at 180 E Pagosa St.

**The Western Slope Break Room** – Since April 1, 2015, there were at least 2 documented liquor warnings and one documented liquor violation, all regarding alcohol service/consumption after-hours at The Western Slope Break Room, located at 2151 Eagle Dr.

**Thai Chilie of Pagosa Springs** – Since January 1, 2015, there were no documented liquor violations at Thai Chilie of Pagosa Springs, located at 565 Village Drive Suite D.

### 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 AS SEXUAL ASSAULT AWARENESS MONTH 2016

**WHEREAS**, Sexual Assault causes needless physical and emotional pain and injury to many victims in Pagosa Springs; and

**WHEREAS**, Sexual Assault affects every person of Pagosa Springs in some form whether as a victim, a family member, a friend, a child, a neighbor, a co-worker, a stranger; and

**WHEREAS**, 26 victims of sexual assault were served last year, we know there are many more who haven't reached out for help; and one in five women and one in seventeen men will be victims of sexual assault in their lifetime; and

**WHEREAS**, the act of sexual assault violates simple human rights of safety, security, dignity, and freedom; and

**WHEREAS**, the month of April is devoted to increasing public education and awareness about the detrimental effects sexual violence has on victims, their children, and our community;

**THEREFORE**, the Town Council of Pagosa Springs does hereby proclaim the month of April 2016 as SEXUAL ASSAULT AWARENESS MONTH in Pagosa Springs, Colorado. We wish for our citizens and visitors to know there is always help available through our local victim assistance program and we will show our support throughout this month and the entire year.

Attest:

Signed:

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April Hessman, Town Clerk

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Don Volger, Mayor



# AGENDA DOCUMENTATION

## CONSENT AGENDA:III.5

PAGOSA SPRINGS TOWN COUNCIL

APRIL 21, 2016

FROM: SCOTT LEWANDOWSKI, SPECIAL PROJECTS MANAGER

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**PROJECT: EAST END RIVERWALK REPAVING CONTRACTOR AWARD**

**ACTION: UPDATE AND POSSIBLE ACTION**

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### RIVERWALK REPAVING UPDATE

The Riverwalk project has been in the works for several years now and is currently poised to begin construction upon approval of awarding the contract to the low bidder, with completion due within 14 days of notice to proceed. The Riverwalk repaving project's scope is from the 1<sup>st</sup> Street bridge trailhead to behind 356 East Pagosa Street (formerly J.J.'s). The project is comprised of 1,413 lineal feet of asphalt and 130 lineal feet of concrete.

This project does not include the secondary paths to the San Juan River due to cost and will be revisited at a later phase. This project will work in coordination with the property owners at 356 East Pagosa to place a snowmelt system in the concrete sidewalk to reduce ice buildup on the trail behind the building during winter months. The snowmelt system will not be the Town's responsibility once constructed.

The Streets Department has already completed demolition of the existing asphalt and provided a suitable sub-base for the project.

### ANALYSIS

Staff recently conducted a competitive bid process for this project where it was advertised on the Town website, local newspaper, and as a bulk email to requested recipients of the Town's RFPS and bids. Staff received two bids for the job, both of which were from local contractors. The result of the competitive bid process yielded a low bid from **Strohecker Asphalt and Paving Inc.** at \$61,164.00.

Staff recommends that the Council award the contract to the low bidder in order to adhere to the 2016 schedule and to avoid future price increases.

### ATTACHMENTS

None

### FISCAL IMPACT

The low bid is \$61,164.00 and 2016 budget has \$68,000 dollars for the project.

### RECOMMENDATIONS

Possible Actions by Council include:

- 1) Award the contract to Strohecker Asphalt and Paving Inc. for the apparent low bid of \$61,164.00, utilizing the available \$68,000 and authorize the Town Manager to execute the contract documents.
- 2) Reject the current bids.
- 3) Direct Staff.



# AGENDA DOCUMENTATION

## CONSENT AGENDA: III.6

PAGOSA SPRINGS TOWN COUNCIL

APRIL 21, 2016

SCOTT LEWANDOWSKI, SPECIAL PROJECTS MANAGER

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**PROJECT: GEOTHERMAL GREENHOUSE PARTNERSHIP (GGP) CENTENNIAL PARK RESTROOMS**

**ACTION: UPDATE AND POSSIBLE ACTION**

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### BACKGROUND/PURPOSE

As part of the Town's DOLA grant for the GGP project, it agreed to place a restroom within Centennial park to act as its \$80,000 match. UCAL Inc. was the low bid for the GGP construction project and the bathroom was not a part of the original contract as the funding for the GGP project in 2015 and the funding for the bathroom was not available until 2016. Staff initially investigated the possibility of placing a prefabricated bathroom in Centennial Park, but determined that would eventually be more expensive than a restroom that was site designed. In an effort to construct a cost effective bathroom in the park, staff and GGP representatives have investigated several cost saving measures that can be utilized to streamline the construction process. One such measure, a change order to the original GGP contract with UCAL Inc., can provide substantial savings for the project. Legal counsel has agreed that the use of a change order is acceptable because the assumptions of the project have changed.

### ANALYSIS

Staff believes the change order method is the most cost effective solution because it allows the project to move forward without the delay of bidding this portion of the project, mobilizing another contractor and additional administrative costs. Furthermore, the existing contract with UCAL Inc. already contains unit pricing for the materials to be used for the bathroom construction.

That said, the change order would be subject to a clause within the original contract that states:

*"The special attention of all Bidders is called to this provision, for should conditions make it necessary to revise the quantities, no limit will be fixed or for such increased or quantities nor will adjustments in unit prices be allowed, provided the monetary value of all such additive or subtractive changes in quantities of such items of work (i.e. difference in cost) shall not increase or decrease the original contract by more than twenty-five (25) percent except for work not covered in the drawings and technical specifications as provided for in the Contract Documents."*

If the change order for the bathroom portion of the project were to keep to the twenty-five (25) percent of the original contract, it would only be allowed to spend up to an estimated \$65,000. This falls short of what is needed to act as match and subsequently build a bathroom in the park. Since the bathroom portion of the project was not part of the original contract, it would be considered *"work not covered in the drawings and technical specifications as provided for in the Contract Documents."*

Staff recommends that the Council exempt the bathroom portion of this project from the twenty-five (25) percent of the original contract amount rule. This recommendation cost effectively streamlines the construction of the restroom facility at Centennial Park.

### FISCAL IMPACT

The cost savings associated the change order are estimated to keep the cost of the bathroom within 2016 budget of \$80,000.

## **RECOMMENDATIONS**

Possible actions by Town Council include:

1. Authorize the Town Manager to utilize a change order for this portion of the project.
2. Authorize the exemption of the bathroom portion of the project from the twenty-five (25) percent of the original contract amount rule.
3. Re-bid this portion of the project.



# AGENDA DOCUMENTATION

## REPORTS TO COUNCIL:IV.1.A

PAGOSA SPRINGS TOWN COUNCIL

APRIL 21, 2016

FROM: DENNIS FORD, MAINTENANCE SUPERVISOR

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**PROJECT: MAINTENANCE DEPARTMENT REPORT**

**ACTION: UPDATE AND DISCUSSION**

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### MAINTENANCE UPDATE

#### **TOWN HALL AND COMMUNITY CENTER**

All heating and cooling equipment at the Town Hall and Community Center has received scheduled maintenance including greasing of the motors and bearings, and changing out the belts and filters.

Staff has replaced all automatic door openers at the Community Center, they failed due to age. Completed drywall repair from renovations of the arts and crafts room, staff painted the two new rooms this created. Staff also painted the new exercise room at the Community Center. Almost all of the floors at the Community Center have been stripped and wax reapplied. A new motor in convection oven at the senior kitchen has been installed.

Staff repaired a leak on the Town Hall building. Several roofing leaks have been repaired over the years. Staff assisted sanitation crew by drilling into concrete slab to improve access capability to a sewer valve. Assisted the streets crew will installing a culvert abutment at 1<sup>st</sup> and Lewis Street.

Staff continues to complete daily tasks.

#### **GEOHERMAL**

Completed two repairs of the geothermal system; one at 3<sup>rd</sup> Street and Lewis Street which contained an incorrect pipe for connection, the other repair was made at the geothermal building by replacing old failing pipe and install bracing to correct the problem and prevent future failure.



# AGENDA DOCUMENTATION

## REPORTS TO COUNCIL: IV.1.B

PAGOSA SPRINGS TOWN COUNCIL  
APRIL 21, 2016

FROM: ZACH RICHARDSON, DEPARTMENT OF BUILDING & FIRE SAFETY

**PROJECT: DEPARTMENT REPORT**  
**ACTION: UPDATE AND DISCUSSION**

### COMMERCIAL BUILDING ACTIVITY:

**Walmart** received an additional extension on its temporary Certificate of Occupancy (CO) for 120 days; expires 4/17/16. Prior to issuance of a final CO, the following issues shall be completed: landscaping and parking lot lighting.

*Commercial building permits were issued as follows:*

- **Peak Deli** for addition of an exterior walk-in cooler and storage shed.
- **Community Center** for an improvement - wall addition to divide one room into two multipurpose rooms.

### BUILDING PROJECTS:

The Department issued the following building permits:

	FEBRUARY 2016	MARCH	YEAR TO DATE
Commercial - Addition	1	1	2
Commercial – Improvement	0	1	4
Commercial – New	0	0	0
Misc-Accessory Structures	0	0	0
Residential – Addition	1	0	1
Residential – Improvement	0	0	0
Residential – New	0	4	4
Permits Issued	2	6	11
Total Project Valuation:	\$7,788,999	\$1,151,576	\$9,027,275

As of this report, the Department has 114 active building permits.

The Department submitted its annual report of building permits issued for privately owned housing units. Our 2015 records indicated that 21 living unit permits were issued and valued at \$5,627,077.00. The Census Bureau makes extensive use of administrative data to produce census and survey data. It identifies the scope and nature of the nation's state and local government sector including public finance and public employment and classifications. The Census Bureau's *mission* is to serve as the leading source of quality data about the nation's people and economy. The Building Permits Survey is a leading economic indicator used to track the housing industry. Local governments and organizations such as planning commissions, libraries and home associations use the data to obtain valuable information about our community. The Census Bureau for the annual creation of

population estimates will use the data in conjunction with other leading economic indicators. Policy makers and government agencies also use these population estimates to allocate funding and other resources to our local jurisdiction for various planning purposes.

**BUILDING INFRACTIONS:**

**Legal Issues:** The Department continues to work with legal counsel to follow-up on building code violations. Most recent issue was a report from neighboring business owners and tenants about odors emitting from a nail salon. The owners have been contacted with a final notice and the Department is awaiting a response/compliance.

**BUILDING COMMITTEE:**

The Building Committee and sub-committees continue to meet on a regular basis to review the significant changes between the current and 2015 building and fire codes. Local engineers and architects are voluntarily reviewing other related codes as well.



# AGENDA DOCUMENTATION

## REPORT TO COUNCIL

PAGOSA SPRINGS TOWN COUNCIL  
April 21, 2016

FROM: DARREN LEWIS, PARKS & RECREATION DIRECTOR

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**PROJECT: COMMUNITY CENTER AND PARKS AND RECREATION DEPARTMENT REPORT**

**ACTION: UPDATE**

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### PARKS AND RECREATION COMMISSION UPDATE

There was a meeting Tuesday, April 12, 2016. Minutes will not be completed in time for this packet.

### RECREATION PROGRAMS UPDATE

Youth volleyball 11-12 division games have started and are held every Tuesday and Thursday through the month of April.

Gymnastic session started April 12<sup>th</sup> for four weeks.

Tee Ball registration ended April 15<sup>th</sup>. Season starts in May.

Baseball ages 6-13 registration is open until May 6<sup>th</sup>.

Adult soccer expected to start in May. (New program)

### PARKS UPDATE

Parks Dept. received new mower that was budgeted for 2016.

Interviews for seasonal park positions conducted April 14<sup>th</sup>. Decision on new employees will be made the week of April 18<sup>th</sup>. Two seasonal employees started April 4<sup>th</sup>.

Yamaguchi skate park bowl decision regarding awarding contract should occur within two weeks.

RFP is being worked on for repaving river walk project at River Center.

Parks crew has been working on placement of mulch around Town Hall and Lewis St. as well as general clean up.

New bike racks purchased by Pagosa Area Tourism will be installed by staff starting in May.

Park staff will participate in earth day Friday, April 22, 10 a.m. by planting two trees in Yamaguchi Park with children of our community helping in the planting.

### Community Center

There has been continued success having the Community Center open on Saturday. This will continue through April and will be reevaluated for summer.

Community Center staff has been working on the exercise room. We are currently waiting on a few pieces of equipment. We hope to have the room open first week of May.

Community Center was awarded \$3200 from the LPEA round up grant which was applied for two months ago. This grant application was for our summer youth program. We also received \$1100 from Walmart for the summer youth program. As of today staff has generated \$11,505 in funding through grants and donations for our summer youth program.

Interviews were conducted on April 15<sup>th</sup> for summer youth staff.

\*\* Extremely pleased with staff efforts in all three departments\*\*



# AGENDA DOCUMENTATION

## REPORTS TO COUNCIL:IV

PAGOSA SPRINGS TOWN COUNCIL  
 APRIL 21, 2016

FROM: CANDACE DZIELAK, COURT ADMINISTRATOR

**PROJECT: MUNICIPAL COURT, DEPARTMENT REPORT**  
**ACTION: UPDATE**

**IN-COURT ACTIVITY UPDATE AND SUPERVISION CASELOAD UPDATE**

**COURT SESSIONS** ~ Four (4) court sessions were conducted in March 2016.

Pagosa Springs Municipal Court March 2016 Case Characteristics				Pagosa Springs Municipal Court Current Supervision Caseload March 24 , 2016		
Total Cases Docketed	48			Total		% of Caseload
Traffic	19			Cases Under Supervision	81	—
Adults		19		Juveniles	16	19.75%
Juveniles		0		Adults	65	80.25%
Criminal	29			Males	54	66.67%
Adults		19		Females	27	33.33%
Juveniles		10		<b>TOTAL WORKLOAD UNITS</b>	<b>181.78</b>	

**CONTINUING EDUCATION**

Deputy Court Clerk, Amber Johnson, successfully completed the Court Basics II course on April 1, 2016. The course, facilitated by the Colorado Association for Municipal Court Administration (CAMCA), familiarized students with the processes of court-appointed counsel, collections, bonds, and interpreters. Further instruction was received on Colorado Department of Motor Vehicle procedures as they relate to criminal and traffic matters adjudicated in Municipal Court.

**COURT-APPOINTED COUNSEL**

With the assistance of Attorney Chris Price, of Collins Cockrel & Cole, court staff finalized the Independent Contractor Agreement for court-appointed counsel. Upon signing, the agreement is perpetual. Contracts are being circulated to all attorneys who have received court-appointments, to date, in 2016. Court staff will ensure the agreement is conformed by any attorney receiving a court-appointment. The agreement fulfills the contracting requirements established by the Town’s workers’ compensation provider, Pinnacle Assurance.



# AGENDA DOCUMENTATION

## REPORTS TO COUNCIL: IV

PAGOSA SPRINGS TOWN COUNCIL

APRIL 21, 2016

FROM: **WILLIAM ROCKENSOCK, CHIEF OF POLICE**

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**PROJECT: POLICE DEPARTMENT REPORT**

**ACTION: UPDATE AND DISCUSSION**

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### POLICE DEPARTMENT INCIDENT REPORTING

The Pagosa Springs Police Department Statistics for March, 2016

Officers responded to 232 calls for service.  
Officers responded to 15 agency assist calls  
Officers completed 47 incident / offense reports  
Officers completed 7 accident investigation reports.

### OFFICER TRAINING UPDATE

Training for March 2016

Daily training bulletins are administered to each officer by Lexipol to keep current on Police Department Policy and Procedure.

Officers completed Communication and skills training I & II

Officer Spangler and Jenkins completed Marijuana enforcement for LE.

Chief Rockensock completed 24 hours of training at the Colorado Marijuana Conference.

Officer Brooks Brown completed 80 hours of first line supervisor training.

### RECRUITING UPDATE

The police department, currently, has one full time opening for patrol officer. Officer Brown was promoted to Corporal as of March 21, 2016.

The department is continuing recruiting efforts to create an eligibility list for future hiring.

### COMMUNITY EVENTS UPDATE

The police department has started enforcement for law Enforcement Assistance Funding (LEAF) grant from CDOT and High Visibility Enforcement (HVE) for the first six months of 2016. The combined grants awarded to the department for the first grant period is \$7,200 which pays overtime compensation for officer to conduct designated DUI enforcement.

The police department will continue to receive POST grant funding, to provide online POST certified classes to officers 24 Hours a day.

### CAPITAL IMPROVEMENTS UPDATE

The Police Department is has ordered the replacement truck for animal control ordered though GSA.



# AGENDA DOCUMENTATION

## REPORTS TO COUNCIL: IV

PAGOSA SPRINGS TOWN COUNCIL  
APRIL 21, 2016, 2016

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FROM: CHRIS GALLEGOS, PUBLIC WORKS DIRECTOR

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**PROJECT: PUBLIC WORKS DEPARTMENT REPORT**  
**ACTION: UPDATE AND DISCUSSION**

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### STREETS UPDATE

Streets crew has been busy filling potholes, taking care of signage, blading alleys and roads. With the help of the maintenance department, staff spent a good majority of their time placing a large cement wall at 1<sup>st</sup> and Lewis Street to protect the banks by the culvert. Staff applied gravel at the parking lot behind the post office. The street sweeper has been cleaning the streets.



# AGENDA DOCUMENTATION

## REPORTS TO COUNCIL: IV

PAGOSA SPRINGS TOWN COUNCIL

APRIL 21, 2016

FROM: APRIL HESSMAN, CMC, TOWN CLERK

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**PROJECT: TOWN CLERK DEPARTMENT REPORT**

**ACTION: UPDATE AND DISCUSSION**

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### CLERK'S OFFICE UPDATE

**Election:** The Clerk's office sent out 948 ballots to registered voters and received 238 ballots back. The polls opened April 5<sup>th</sup> at 7:00 am and closed at 7:00 pm. We had quite a few electors stop by Town Hall to drop off their mail-in ballots, we didn't have any electors vote at the polling place. After canvassing the votes on April 14<sup>th</sup>, the final results have Town Council Member Clint Alley with 180 votes, Council Member David Schanzenbaker with 169 votes, and Council Member Tracy Bunning with 168 votes. The ballot question regarding opting out of the State's requirements regarding telecommunication services received 198 yes votes and 38 no votes. As of this writing the Town has spent \$1,925 on the election, including attorney fees.

**Audits:** On March 7, 2016, three representatives from Hinton Burdick were at Town Hall to audit the 2015 financials. Staff continues to work with the representatives to provide them the additional documentation for finalizing the audit. We are expecting this year's audit to cost approximately \$2,500 more than the \$14,000 budgeted. This is due to a few items, including confirmation and inclusion of several items that were not previously on the Town's capital asset list, also separation of the trust funds (those funds held by the Town for other entities i.e. skater's coalition), and adjustments to prior periods. The additional 40 hours to complete the audit are billed at an hourly rate of \$70 per hour. Hinton Burdick is confident that the 2016 audit should not be more than the estimated cost of \$13,000. The bulk of the work this first year will give the auditors a solid start for future audits. Anticipate a presentation of the audit results to Council in the next few months. In addition to the financial audit, staff has completed the annual workers compensation audit for Pinnacol Assurance.

**Business:** Staff continues to work with Caselle to implement the online timekeeping module with payroll. Currently, several departments are entering their timesheets online to assist with the testing of the software. Caselle has several major upgrades to the functionality of the online timekeeping to be released in May so staff does not anticipate implementing the paperless timesheets throughout all departments until mid-May.

### PERSONNEL

The Town has extended an offer of employment to a candidate for the Equipment Operator I position in the Public Works Department. A hire date will be set as soon as the background has been completed. Interviews were conducted on April 14<sup>th</sup> and 15<sup>th</sup> for approximately 11 seasonal positions in the Parks and the Summer Youth Program. Staff is confident that all seasonal positions will be filled from these hiring pools. The Town has one current job opening for a Police Officer.



# AGENDA DOCUMENTATION

## REPORT TO COUNCIL: IV

PAGOSA SPRINGS TOWN COUNCIL

APRIL 21, 2016

**FROM: GREGORY J. SCHULTE, TOWN MANAGER**

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**PROJECT: TOWN MANAGER'S REPORT**

**ACTION: UPDATE AND DISCUSSION**

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### Geothermal Greenhouse Update

The Geothermal Greenhouse project has begun construction now that the weather has gotten better and the initial focus is on constructing the pump house. As of this writing, it is believed the GGP is just within a couple thousand dollars of having raised enough money to place the first dome. We have received a contract amendment from DOLA for this project to allow greater flexibility in match funds.

We are also working to place the bathrooms in Centennial Park and have determined the prefabricated building would actually be more expensive, so it will be site built. In addition, after conferring with the GGP, we'll be placing the bathroom adjacent to the 0.7 acre leased property. We are securing quotes for design work and it is hope we will be able to change order the existing construction to permit this work too. The change order item is going to be before Council at this same April 21<sup>st</sup> meeting. If approved by council we can smoothly proceed with creating a Change Order with UCAL, Inc. to construct the bathrooms.

### Personnel Updates

We have hired several positions as follows:

- Special Project Manager (Scott Lewandowski started January 13<sup>th</sup>)
- Associate Planner (Rachel Novak started Feb. 8<sup>th</sup>)
- Building / Fire / Code Inspector: (Jonathon Roberts started Feb. 19<sup>th</sup>)
- Deputy Town Clerk (Colleen Richmond started March 1st)

Outstanding positions to hire:

- Operator I (Selected candidate in background checks)
- Police Officer (currently recruiting)

One thing the Council should be aware of is that the company that was doing the drug checks closed and we are in the process of setting up account with a new vendor.

### Reservoir Hill Thinning

The thinning of Reservoir Hill was complete as of Feb. 5<sup>th</sup>. Billing is in the process of being completed. We are still budgeted to have the Southwest Conservation Corp come and some hand thinning this summer, but will be on the denser, steeper terrain. We are working with JR Ford to do stump grinding and to pick up the slash that we needed to wait for better weather. However, the work should be finally completed prior to the first Folk Fest.

### Geothermal Well Drilling

A request was sent to DOLA regarding the grant and we have yet to hear back officially from DOLA on this item. The three items requested for change are as follows:

1. A time extension on the grant to November 31, 2017.
2. A change in the matching to 75% DOLA / 25% PAGWPA
3. Change from a reimbursement plan to an advance plan



# AGENDA DOCUMENTATION REPORTS TO COUNCIL: IV.2

PAGOSA SPRINGS TOWN COUNCIL  
APRIL 21, 2016

FROM: GREGORY J. SCHULTE, TOWN MANAGER

PROJECT: FEBRUARY 2016 SALES TAX REVENUE REPORT  
ACTION: DISCUSSION

### CURRENT MONTH SALES TAX & LODGERS TAX REVENUE

This report represents the information for February 2016 for sales tax and shows an increase of **9.7%** compared to February 2015. Total sales tax revenue for February 2016 for the Town is \$300,422 with that divided equally between the General Fund and the Capital Improvement Fund (\$150,211 going to each). In February 2015, the total amount received was \$273,948. The 2016 February sales tax received is \$26,474 higher than in 2015.

Interestingly, the revenue received for February 2014 is \$214,360. This represents a 40% increase in just two years.

There were no prior year revenues included in this report

#### ***Compared to 2016 Budget***

The sales tax projection for the adopted 2016 budget is a total of \$4,352,566 or \$2,176,283 each for the General Fund and the Capital Improvement Fund representing a 7% increase over the estimated year end for 2015. The month of February 2016 yielded \$150,211 for the General Fund and exactly the same amount for the Capital Improvement Fund. Premised upon the 10 year monthly average, the expectation is the Town should have received in February for each Fund about \$139,282. The variance for February is \$10,929 or 8% more than budget. Year to date, we are ahead of budget by approximately \$22,729. Please see Exhibit A.

### ANALYSIS

Resolution 2016-01 mandates 2016 expenditure reductions if sales tax revenues decline from the average revenue of the past two years. The application of the Resolution requires a monthly analysis that averages several months/years of revenue, to smooth out the impact of significant swings in sales tax collections:

	<u>2013</u>	<u>2014</u>	<u>Avg.</u>	<u>2015</u>	<u>% Change</u>
<b>December</b>	312,400	352,558	332,479	392,815	<b>+18.1%</b>
	<u>2104</u>	<u>2015</u>	<u>Avg.</u>	<u>2016</u>	<u>% Change</u>
<b>January</b>	247,995	310,175	279,085	315,221	<b>+12.9%</b>
<b>February</b>	214,360	273,948	244,154	300,422	<b>+23.0%</b>

Everything is positive. Application of paragraphs 5 and 5(b) of the Council's policy calls for **NO** reduction of budgeted expenditures since the reduction is not more than 5%

**ATTACHMENT(S)**

Exhibit A

**RECOMMENDATION**

Informational, no action required.

**Town of Pagosa Springs  
2016 Sales Tax Estimate  
General Fund**

<u>Month</u>	<u>2016 Estimated</u>	<u>2016 Actual</u>	<u>Variance</u>	<u>10 Year Ave. % Collection</u>	<u>Percent Above Budget</u>
January	145,811	157,611	11,800	6.7%	8%
February	139,282	150,211	10,929	6.4%	8%
March	161,045			7.4%	
April	134,930			6.2%	
May	158,869			7.3%	
June	204,571			9.4%	
July	265,507			12.2%	
August	204,571			9.4%	
September	206,747			9.5%	
October	178,455			8.2%	
November	161,045			7.4%	
December	215,452			9.9%	
<b>TOTAL</b>	<b>2,176,283</b>	<b>307,822</b>	<b>22,729</b>	<b>100.0%</b>	
Percent Ahead of Estimate	8%				



# AGENDA DOCUMENTATION REPORTS TO COUNCIL: IV.3

APRIL 21, 2016

JENNIFER GREEN  
DIRECTOR, PAGOSA SPRINGS AREA TOURISM BOARD

**PROJECT: LODGING TAX UPDATE**  
**ACTION: UPDATE AND DISCUSSION**

## MEETING UPDATE

The most recent Tourism Board meeting was held on Tuesday, April 12th, 2016. The next Tourism Board meeting will be held on Tuesday, May 10th at 4pm at the Visitor Center. Multiple subcommittee meetings will be held in the next few weeks.

## LODGERS TAX FINANCIAL REPORT

The most recent lodging tax report has been included in the packet for review. January 2016 showed a 10.26% increase over 2015, or an increase of \$3,369.00. February 2016 was up 10.29% over 2015, or an increase of \$3,236. Both January and February 2016 reflect the strongest Jan and Feb on record.

## VISITOR CENTER UPDATE

As mentioned previously, March begins the first monthly year over year comparison for visitor center traffic, since the door counter were added in Feb 2015. March 2016 reflected a slight increase over 2015, with 5,159 in 2016 compared to 4,994. Daily traffic has been tracked, so we will be able to compare holidays. Also, a new chart has been added to the Overview charts, reflecting weekly year over year comparisons. For comparisons, the 1st full week of the year (Sun - Sat) is week one. Weekly comparison data became available in Week 8 of the calendar years. In reviewing weekly data, it appears visitor center traffic during the busy spring break weeks (weeks 10 & 11) was down slightly, by 129 visitors in 2016. However, weeks 8 and 9 were up significantly in 2016, with week 12 being relatively flat.

## SOCIAL MEDIA UPDATE

- Facebook - [www.facebook.com/visitpagosasprings](http://www.facebook.com/visitpagosasprings) Facebook: 13,302 fans
- Instagram - [www.instagram.com/visitpagosa](http://www.instagram.com/visitpagosa): 1,663 followers
- Twitter - [www.twitter.com/visitpagosa](http://www.twitter.com/visitpagosa) - 1092 followers

## WEBSITE UPDATE

Progress continues to be made with the responsive website and CMS conversion. Conference calls are being held weekly (or more frequently) to review enhancements. The taxonomy was resolved for Things to Do section, which should speed up estimated time to launch. Director is hoping for a late May 2016 launch. The new itinerary builder allows for mapping and planning days within a trip. It will be a useful tool at the visitor center, as well as in advance of visits. The new site design is much more robust than the existing site. Multiple 2016 marketing campaigns are awaiting the new site launch.

## MOUNTAIN TRAVEL SYMPOSIUM UPDATE

The Mountain Travel Symposium was held April 3rd - 8th in Keystone, CO. During the February Tourism Board meeting,

the board determined to send Director to Mtn Travel Symposium to test out a winter group audience instead of IPW in June. The event is segmented into 3 exchanges (speed dating) with (1) Tour Operators, (2) Ski Groups / Clubs and (3) Meeting planners. There were also two days of educational sessions, with one day specialized towards DMOs. Of all of the conferences that Director attends, this provided the most “new” topics and All in the all, the Symposium was successful. A few notes about the various exchanges:

#### Tour Operators / Buyers

Director struggled with scheduling appointments with this audience more than the other two exchanges. 24 appointments were held on Monday and Tuesday; Visit Denver had a similar number. The buyers in this exchange seemed to desire more of the luxury ski in / ski out ski areas. If an affordable shuttle were available, it would increase our appeal to the European / Latin America audiences. The best appointments during this exchange were with 3rd party booking sites (looking for activity / lodging inventory in Pagosa) and marketing vendors (event sponsors). Most of the tour operators were interested in FIT rates or all-inclusive packages.

#### Ski Groups / Clubs

This was the most successful exchange of the three. Director had 26 appointments in one day. 85% of the appointments could legitimately result in groups / clubs visiting in the next 2-3 years. Multiple appointments were excited to meet with me as their members have requested trips to Pagosa / Wolf Creek and / or had trips planned in the near future. A ski club in Washington DC plans to begin a “training” trip, and after a great trip a few years ago, had already identified Pagosa and Wolf Creek. He was thrilled to have a contact and requested Travel Planners for an event he will be attending in next few months. Most of the appointments had heard of Wolf Creek / Pagosa from members and / or friends or family. They were excited to have a contact to bring groups to the area. These groups prefer both condos and hotels. If they travel in a bus, they need 30 participants to cover expenses of bus. As with tour operators, the lack of an affordable shuttle was mentioned as a concern.

#### Meeting Planners

After 6 days of travel, appointments and educational sessions, the meetings exchange was mentally difficult. Director had 16 appointments scheduled for the exchange. A few were unnecessary, for examples, appointments a meeting planner in Russia and one from Brazil. However, due to event being held in Keystone, multiple appointments were with CO-based meeting planners. Each of the appointments were excited to have a contact in Pagosa, as they receive a lot of requests by clients to look into Pagosa, but had expressed difficulty in planning events in the past. Many of the appointments were for sales incentive trips - preferred trips seemed more luxury / all inclusive per diem packages. Recent experience planning the Tourism Summit was timely and provided specific answers to concerns that were raised. With proper follow up, there might be some business in this area. Staff will develop a new meeting brochure.

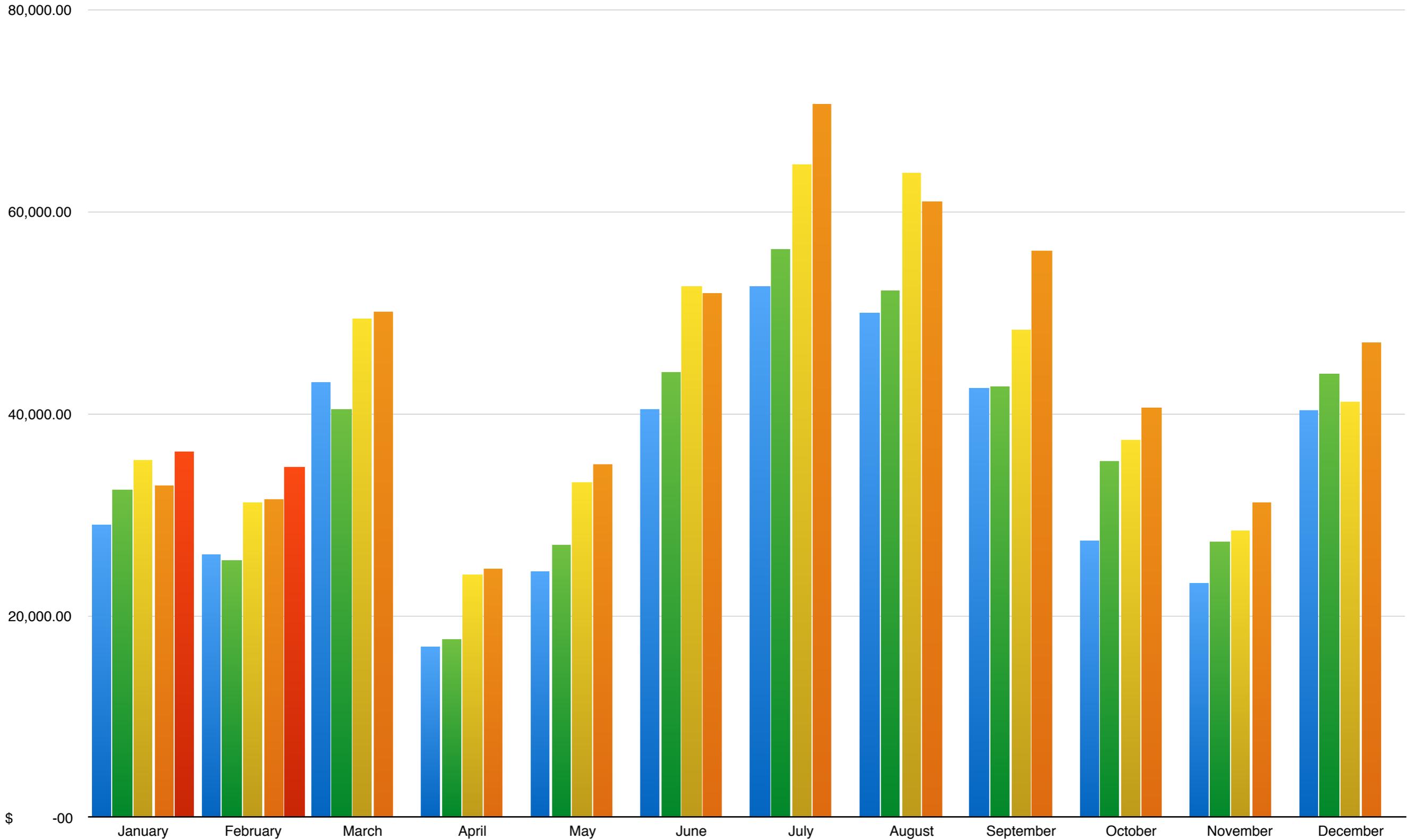
#### SW TOURISM SUMMIT

The SW Tourism Summit is scheduled for Wednesday, April 13th and Thursday, April 14th in Pagosa Springs. Director has invested a lot of time to pull together many of the event logistics - agendas, speaker travel / requests, food, networking events, etc, etc. The event organizers continued to add new projects into the mix, such as silent auction and an invitation only breakfast with CTO Director on Friday morning. Director is 99.99% confident all details have been worked out. Projected audience is 130 - 140 attendees. Most of the businesses attending are from other communities. Special thanks to area businesses for helping with sponsorships, silent auction items and event promotion.

# Town Collections by Month

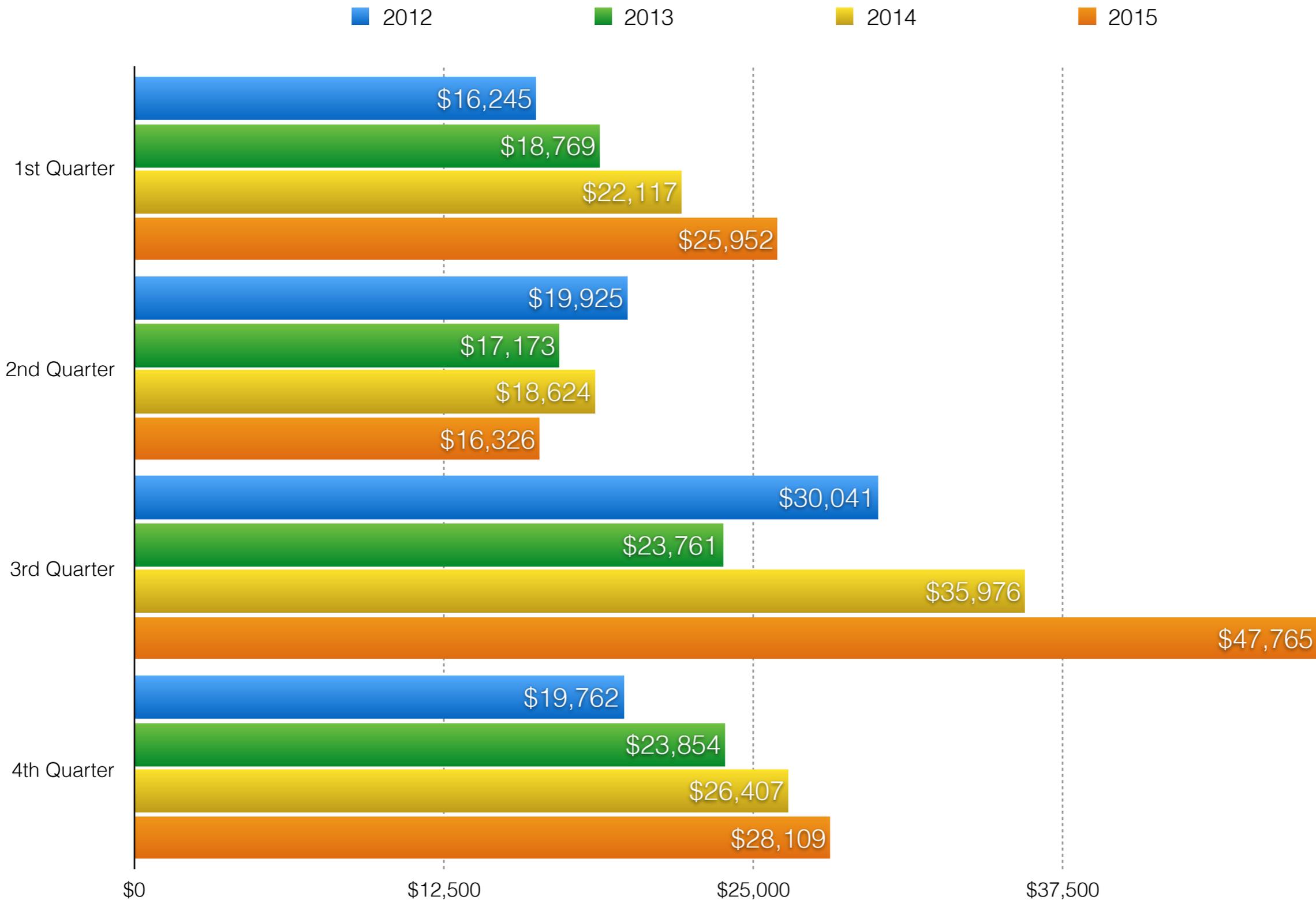
(2012 - 2016)

■ 2012 ■ 2013 ■ 2014 ■ 2015 ■ 2016



# County Collections by Quarter

(2012 - 2015)

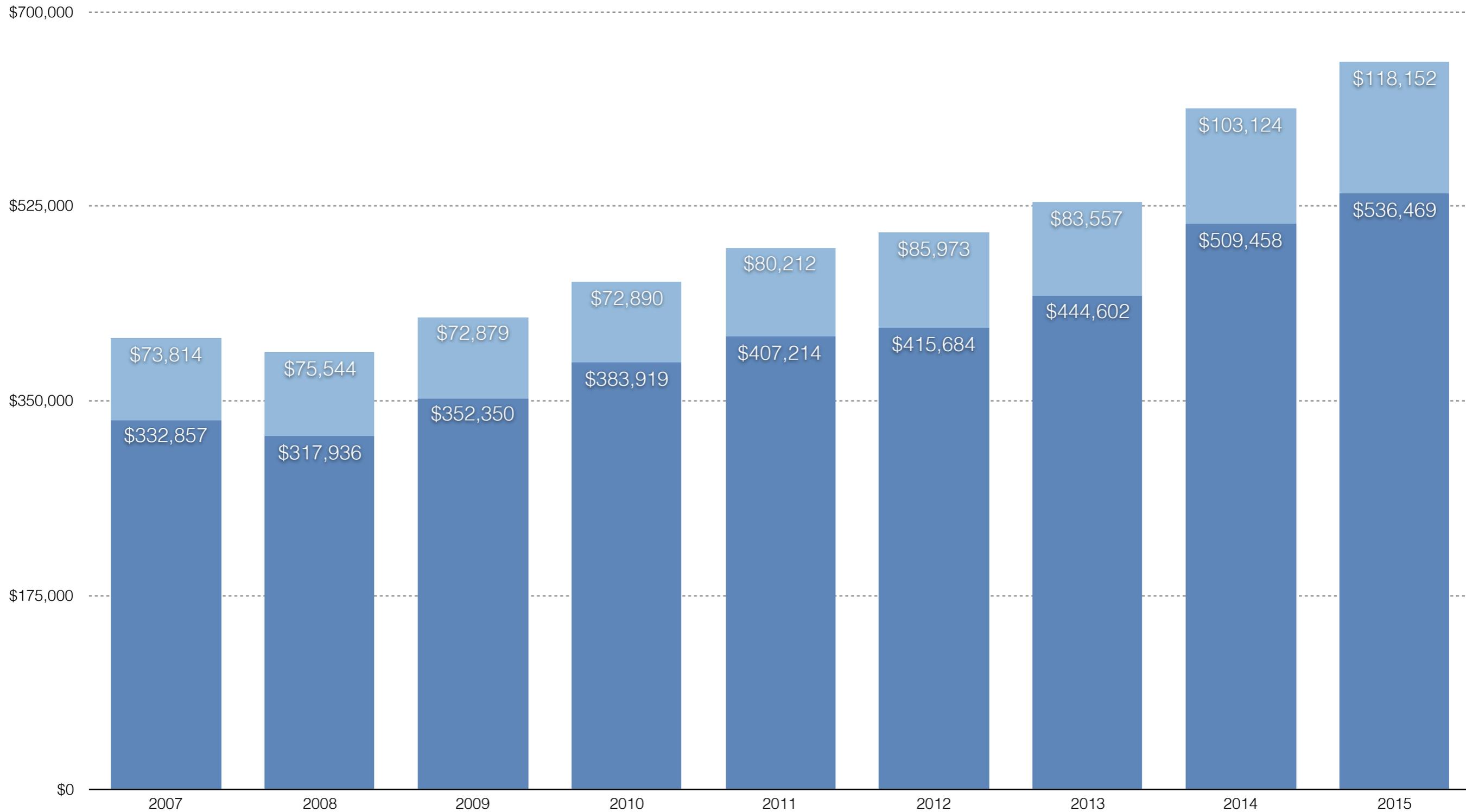


# Total Collections by Year

(2007 - 2015)

Town

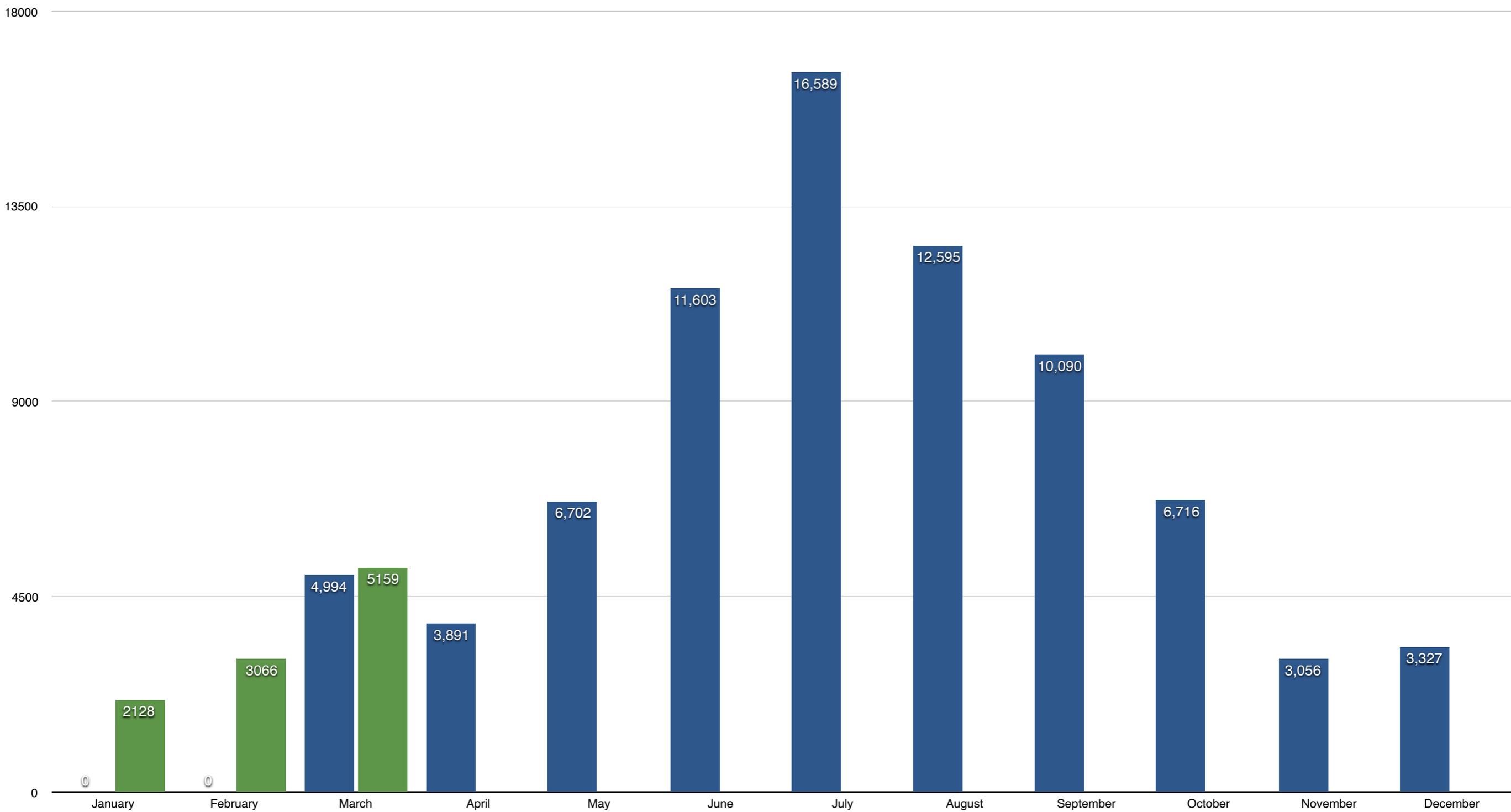
County



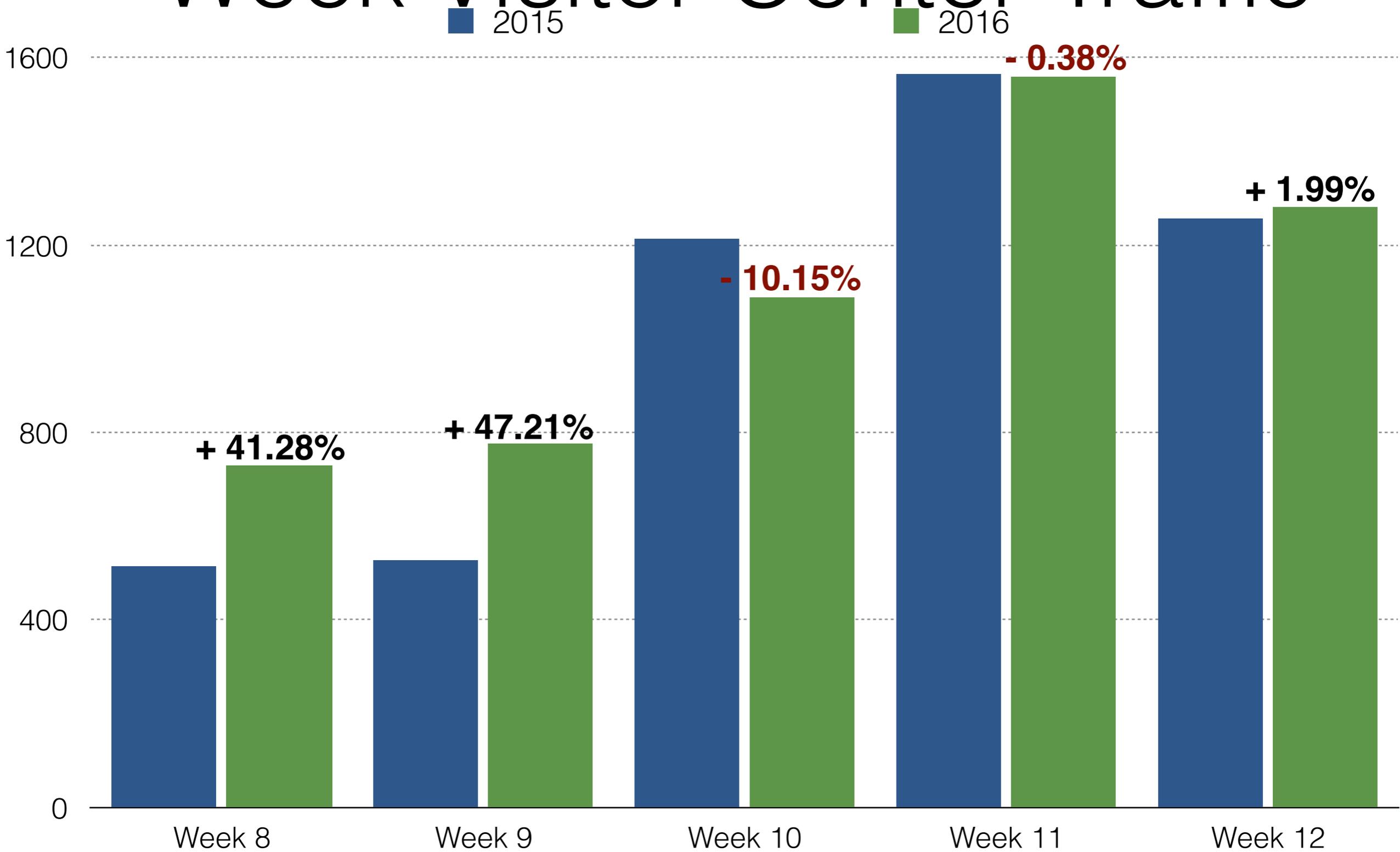
# Visitor Center Traffic

■ 2015 (Traffic less Chamber / Mtgs)

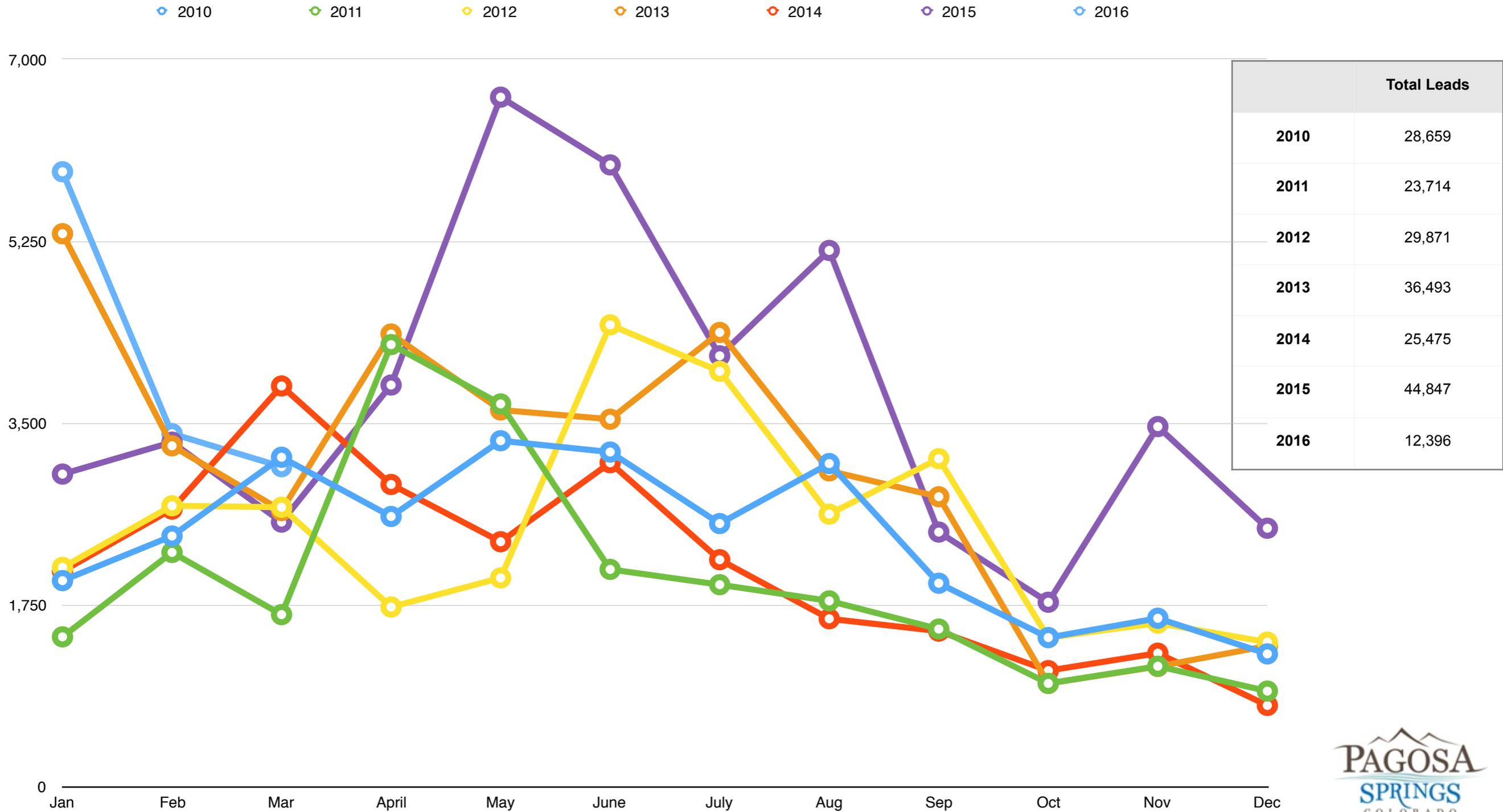
■ 2016 (Traffic less Chamber / Mtgs)



# 2015 - 2016 Week over Week Visitor Center Traffic



# Vacation Planner Requests by Month



# Total Lead Collection by Month

	Jan	Feb	Mar	April	May	June	July	Aug	Sep	Oct	Nov	Dec	Total
<b>2010</b>	1984	2413	3171	2601	3330	3221	2533	3110	1959	1436	1622	1279	28,659
<b>2011</b>	1443	2255	1657	4255	3684	2092	1945	1789	1518	995	1160	921	23,714
<b>2012</b>	2111	2704	2690	1730	2010	4445	3998	2624	3157	1435	1575	1392	29,871
<b>2013</b>	5322	3281	2658	4357	3626	3537	4372	3040	2791	995	1158	1356	36,493
<b>2014</b>	2,074	2,672	3,857	2,909	2,358	3,118	2,185	1,617	1,498	1,118	1286	783	25,475
<b>2015</b>	3,009	3,316	2,547	3,866	6,636	5,984	4,147	5,161	2,451	1,776	3,466	2,488	44,847
<b>2016</b>	5,918	3,398	3,080										12,396

**Town of Pagosa Springs Monthly Lodgers Tax Collections**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	% Change 2016 vs 2015
<b>January</b>	\$ 22,904.43	\$ 23,544.00	\$ 24,228.00	\$ 27,295.00	\$ 26,943.65	\$ 28,916.00	\$32,499.75	\$35,389.65	\$32,822.00	<b>\$36,191.00</b>	10.26%
<b>February</b>	\$ 20,543.13	\$ 17,002.00	\$ 19,360.78	\$ 21,960.24	\$ 21,824.65	\$ 26,003.00	\$25,510.87	\$31,222.00	\$31,453.00	<b>\$34,689.00</b>	10.29%
<b>March</b>	\$ 33,516.00	\$ 31,216.00	\$ 29,925.00	\$ 34,928.74	\$ 37,350.40	\$ 43,034.00	\$40,383.00	\$49,398.65	<b>\$50,036.00</b>		
<b>April</b>	\$ 15,879.04	\$ 12,500.00	\$ 15,186.00	\$ 15,765.00	\$ 16,830.71	\$ 16,911.65	\$17,607.00	\$24,063.75	<b>\$24,692.00</b>		
<b>May</b>	\$ 20,590.00	\$ 19,276.00	\$ 21,949.00	\$ 21,049.00	\$ 21,758.00	\$ 24,283.00	\$26,942.73	\$33,230.00	<b>\$34,998.00</b>		
<b>June</b>	\$ 31,803.61	\$ 29,041.00	\$ 32,622.11	\$ 37,539.26	\$ 36,091.00	\$ 40,508.45	\$44,148.14	<b>\$52,611.00</b>	\$51,874.00		
<b>July</b>	\$ 43,728.00	\$ 44,693.00	\$ 50,124.71	\$ 51,931.50	\$ 57,316.65	\$ 52,571.99	\$56,190.71	\$64,680.65	<b>\$70,696.00</b>		
<b>August</b>	\$ 35,610.05	\$ 38,092.00	\$ 42,307.85	\$ 41,714.00	\$ 44,944.49	\$ 49,948.65	\$52,182.92	<b>\$63,774.65</b>	\$61,073.00		
<b>September</b>	\$ 36,500.00	\$ 32,363.75	\$ 35,610.05	\$ 41,333.05	\$ 44,019.85	\$ 42,499.79	\$42,615.00	\$48,243.80	<b>\$56,080.00</b>		
<b>October</b>	\$ 25,264.55	\$ 22,041.46	\$ 25,764.55	\$ 28,857.93	\$ 30,661.54	\$ 27,482.50	\$35,281.65	\$37,303.65	<b>\$44,219.00</b>		
<b>November</b>	\$ 14,866.00	\$ 16,232.00	\$ 19,815.65	\$ 21,348.00	\$ 27,542.05	\$ 23,180.44	\$27,340.00	\$28,446.00	<b>\$31,451.00</b>		
<b>December</b>	\$ 31,652.00	\$ 31,934.69	\$ 35,456.65	\$ 40,197.65	\$ 41,931.00	\$ 40,345.00	\$43,900.00	\$41,094.00	<b>\$47,075.00</b>		
<b>Total</b>	<b>\$332,856.81</b>	<b>\$317,935.90</b>	<b>\$352,350.35</b>	<b>\$383,919.37</b>	<b>\$407,213.99</b>	<b>\$415,684.47</b>	<b>\$444,601.77</b>	<b>\$509,457.80</b>	<b>\$536,469.00</b>	<b>\$70,880.00</b>	
<b>\$\$ Difference (over previous year)</b>		\$(14,920.91)	\$ 34,414.45	\$ 31,569.02	\$ 23,294.62	\$ 8,470.48	\$28,917.30	\$64,856.03	\$27,011.20	\$6,605.00	
<b>% Difference</b>		-4.48%	10.82%	8.96%	6.07%	2.08%	6.96%	14.59%	5.30%	10.28%	

		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	% Change
Q1	Town	\$76,963.56	\$71,762.00	\$73,513.78	\$84,183.98	\$86,118.70	\$97,953.00	\$98,393.62	\$116,010.30	\$114,311.00		
	County	NA	NA	NA	NA	NA	\$16,245.23	\$18,769.34	\$22,116.79	\$25,952.02		
	Combined	NA	NA	NA	NA	NA	\$114,198.23	\$117,162.96	\$138,127.09	<b>\$140,263.02</b>		
Q2	Town	\$68,272.65	\$60,817.00	\$69,757.11	\$74,353.26	\$74,679.71	\$81,703.10	\$88,697.87	\$109,904.75	\$111,564.00		
	County	NA	NA	NA	NA	NA	\$19,925.20	\$17,173.05	\$18,623.89	\$16,326.35		
	Combined	NA	NA	NA	NA	NA	\$101,628.30	\$105,870.92	<b>\$128,528.64</b>	<b>\$127,890.35</b>		
Q3	Town	\$115,838.05	\$115,148.75	\$128,042.61	\$134,978.55	\$146,280.99	\$145,020.43	\$150,988.63	\$176,699.10	\$187,849.00		
	County	NA	NA	NA	NA	NA	\$30,041.11	\$23,760.77	\$35,975.64	\$47,764.82		
	Combined	NA	NA	NA	NA	NA	\$175,061.54	\$174,749.40	<b>\$212,674.74</b>	<b>\$235,613.82</b>		
Q4	Town	\$71,782.55	\$70,208.15	\$81,036.85	\$90,403.58	\$100,134.59	\$91,007.94	\$106,521.65	\$106,843.65	\$122,745.00		
	County	NA	NA	NA	NA	NA	\$19,761.88	\$23,854.14	\$26,407.32	\$28,109.20		
	Combined	NA	NA	NA	NA	NA	\$110,769.82	\$130,375.79	<b>\$133,250.97</b>	<b>\$150,854.20</b>		
Totals	Town	\$332,856.81	\$317,935.90	\$352,350.35	\$383,919.37	\$407,213.99	\$415,684.47	\$444,601.77	\$509,457.80	\$536,469.00		
	County	\$73,813.73	\$75,544.09	\$72,878.61	\$72,890.39	\$80,211.79	\$85,973.42	\$83,557.30	\$103,123.64	\$118,152.39		
	Combined	\$406,670.54	\$393,479.99	\$425,228.96	\$456,809.76	\$487,425.78	\$501,657.89	\$528,159.07	\$612,581.44	\$654,621.39		
% Growth	Town	NA	-4.48%	10.82%	8.96%	6.07%	2.08%	6.96%	14.59%	NA		NA
	County	NA	2.34%	-3.53%	0.02%	10.04%	7.18%	-2.81%	23.42%	NA		NA
	Combined	NA	-3.24%	8.07%	7.43%	6.70%	2.92%	5.28%	15.98%	NA		NA



# DRAFT Minutes

## Pagosa Springs Area Tourism Board

Tuesday, April 12th, 2016

Pagosa Springs Visitor Center

4 pm

Meeting called by: CK Patel

Attendees: Voting Members; Larry Fisher, Stephen Durham, Nick Tallent, Steve McKain, Jon Johnson

Absences: CK Patel, Steve Wadley, Criselda Montoya

Non Voting Attendees; Jennifer Green, Greg Schulte

Please review: March Meeting Minutes

Please bring: Agenda, Committee reports

1. Call to Order
2. Determination Of Quorum (5)
3. Approval of Minutes – March
  - a. Jon Johnson motioned to approve March minutes, Larry Fisher seconded, all approved
4. Chair Report – Jennie provided report given CK's absence
  - a. Board positions
    - i. Lodging Seat
    - ii. Chamber of Commerce Seat
    - iii. Board of Realtors Seat
      1. All entities with open seats have been contacted; Chamber and Realtors expect to provide a recommendation during their April meetings; Director anticipates the group will review recommendations during the May 10th meeting
5. Tourism Director Report – Jennie Green
  - a. SW Tourism Summit

1. Summit is being held this week – April 13th & 14th – currently, 137 attendees are registered
2. Thanks to many, details are in order – all attendee bags were stuffed this afternoon, name badges have been printed, etc – it should be a great conference

b. Mountain Travel Symposium Recap

1. Overall, a worthwhile event – The event is segmented into 3 exchanges (speed dating) with (1) Tour Operators, (2) Ski Groups / Clubs and (3) Meeting planners. There were also two days of educational sessions, with one day specialized towards DMOs.
2. Director provided an overview of the exchanges:

a. Tour Operators / Buyers

- i. Director struggled with scheduling appointments with this audience more than the other two exchanges. 24 appointments were held on Monday and Tuesday; Visit Denver had a similar number. The buyers in this exchange seemed to desire more of the luxury ski in / ski out ski areas. If an affordable shuttle were available, it would increase our appeal to the European / Latin America audiences. The best appointments during this exchange were with 3rd party booking sites (looking for activity / lodging inventory in Pagosa) and marketing vendors (event sponsors). Most of the tour operators were interested in FIT rates or all-inclusive packages.

b. Groups / Ski Clubs

- i. This was the most successful exchange of the three. Director had 26 appointments in one day. 85% of the appointments could legitimately result in groups / clubs visiting in the next 2–3 years. Multiple appointments were excited to meet with Director as their members have requested trips to Pagosa / Wolf Creek and / or had trips planned in the near future. A ski club in Washington DC plans to begin a “training” trip, and after a great trip a few years ago, had already identified Pagosa and Wolf Creek. He was thrilled to have a contact and requested Travel Planners for an event he will be attending in next few months. Most of the appointments had heard of Wolf Creek / Pagosa from members and / or friends or family. They were excited to have a contact to bring groups to the area.

- ii. These groups prefer both condos and hotels. If they travel in a bus, they need 30 participants to cover expenses of bus. As with tour operators, the lack of an affordable shuttle was mentioned as a concern.

- c. Meeting Planners

- i. Director had 16 appointments scheduled for the exchange. Due to event being held in Keystone, multiple appointments were with CO-based meeting planners. Each of the appointments were excited to have a contact in Pagosa, as they receive a lot of requests by clients to look into Pagosa, but had expressed difficulty in planning events in the past. Recent experience planning the Tourism Summit was timely and provided specific answers to concerns that were raised.

## 6. Treasurers Report – Nick Tallent

- a. Monthly Town Lodging Receipts report – Update

- 1. Both January and February lodging tax collections set records over all previous years. Both months were up over 10% over 2015.

## 7. Subcommittee Reports

- a. Budget

- 1. No update

- b. Marketing

- i. Website Update

- a. Meeting with website vendor in NYC in early March has paid dividends; a lot of progress has been made in the last 6 weeks – a launch in the near future is foreseeable.
- b. Conference calls are being held weekly (or more frequently) to review enhancements. The taxonomy was resolved for Things to Do section, which should speed up estimated time to launch. Director is hoping for a late May 2016 launch. The new itinerary builder allows for mapping and planning days within a trip. It will be a useful tool at the visitor center, as well as in advance of visits. The new site design is much more robust than the existing site. Multiple 2016 marketing campaigns are awaiting the new site launch.

- c. Events & Infrastructure – Larry Fisher

- i. Update on climbing / bouldering rocks in town parks

- a. Subcommittee will meet again April 20th at 5pm; group continues to investigate options and pricing
    - ii. Bike Racks – update
      - a. The new bike racks have arrived!! The color (blue) is nice and will stand out – the Parks & Rec crew will install in May
    - iii. Infrastructure request – Wolf Creek Trailblazers
      - a. Group reviewed request from Trailblazers; they deferred to May meeting to have more Board members attend to weigh in on the issue
  - d. Wayfinding and Signage – Steve McKain / Jon Johnson
    - i. Update on various projects
      1. East gateway sign – landscaping will be completed in Spring 2016
      2. Jon Johnson mentioned investigating property on south west order of Hwy 84 / 160 for additional signage; it appears there is electrical
      3. West gateway – Jennie to send out RFP
  - e. Visitor Center
    - i. Visitor Center traffic in March was up slightly over 2015. The reports now include a week over week annual comparison to be able to review busier weeks of the year. The first full week of the year is considered week 1.
  - f. Tax Compliance
    - i. Update – no up date; Director needs to follow up with the County to determine if any new remittances have been received
8. Old Business
9. New Business
- a. Various funding requests
    - i. Director receives calls from businesses periodically to assist with funding for a “good cause”
      1. Director always explains that the funding available through the Tourism Board is available through an event marketing or infrastructure grant fund in the Fall, and only non profits are eligible
      2. Director always explains to businesses seeking funds that the idea will be presented to the Board for consideration

- a. Recently, the new Pagosa Cab contacted us to fund a new “Topsy Taxi” service
- b. Larry Fisher explained that it would be a slippery slope and he did not think Town Council would agree with the Board supporting for-profit businesses
  - i. Group agreed

### 3. Public Comment

- a. None
- b. Tourism Board Ideas and Comments
  - i. None

### 10. Adjournment

- a. Larry Fisher motioned, Steve McKain seconded, all approved



# AGENDA DOCUMENTATION

## NEW BUSINESS: V.1

PAGOSA SPRINGS TOWN COUNCIL

APRIL 21, 2016

FROM: GREGORY J. SCHULTE, TOWN MANAGER

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**PROJECT: ORDINANCE 839 (FIRST READING) - TEMPORARY MORATORIUM FOR MARIJUANA BUSINESS LICENSES**

**ACTION: DISCUSSION AND POSSIBLE ACTION**

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### PURPOSE / BACKGROUND

The Town Council is authorized to adopt and enforce ordinances and resolutions regarding health, safety, and welfare issues as otherwise prescribed by law, and provide for the enforcement of such Ordinances. In 2015 by Ordinance No. 825 (Series 2015), the Town adopted specific standards and procedures for local licensing of marijuana-related businesses and establishments. The Town issued its first license in December 2015 and subsequent to that date an additional two applications were submitted for review. The Town, acting as the Licensing Authority, approved both licenses on April 6, 2016.

At that meeting there were significant discussions about the original intent of the Ordinance and how to administer the 70 / 30 rule provided for in the Ordinance in regards to the sourcing of bud leaf product for sale. The Town Council has asked Town staff to study whether certain amendments to the requirements in Article 6 of the Town Code for marijuana-related businesses and establishments are necessary and appropriate, including but not limited to the requirement for marijuana establishments to obtain 70% of their marijuana inventory from a cultivation facility located within Archuleta County.

Furthermore, Archuleta County has indicated that it may revise its marijuana regulations and the Town may want to adopt the same or similar amendments adopted by the County.

Consequently, it may be in the best interest of the community to temporarily suspend the processing of all applications for marijuana-related businesses and establishments until such time as the Town can study the need for additional changes to the Municipal Code related to the application, licensing, and operation requirements for marijuana-related businesses and establishments.

Town staff has prepared a proposed Ordinance (Ordinance 839) to put in place a temporary moratorium until the first meeting of next year for staff and Council to work on proposed amendments to Ordinance 825.

There are no pending marijuana establishment applications at the time of this writing.

### ATTACHMENTS

- Proposed Ordinance 839

### FISCAL IMPACT

There are no immediate fiscal impacts for the Town if the temporary moratorium were put in place. Conceptually, if another valid application were to be submitted, and that applicant had a readily available supply of leaf bud sourced within Archuleta County and the Licensing Authority approved the license, then the Town would lose the sales tax revenue of that hypothetical applicant.

**2016 TOWN COUNCIL GOALS & OBJECTIVES**

Included in the Town Council’s adopted 2016 Goals & Objectives are Goals #4 of “Improve communication, encourage public engagement and pursue cooperative relationships.” Also, Objective 4.3 is to “Improve intergovernmental entity communication” and this proposed Temporary Moratorium offers the opportunity for the Town and County to jointly work on their respective marijuana ordinances together.

**RECOMMENDATIONS**

Possible actions by the Town Council include:

1. **“Move to approve the First Reading of Ordinance 839 to place into effect a Temporary Moratorium suspending the processing of all applications for marijuana-related businesses and establishments within Town limits until January 3, 2017.**
2. **“Move to NOT approve the First Reading of Ordinance 839.”**
3. **Direct staff.**

**TOWN OF PAGOSA SPRINGS, COLORADO**

**ORDINANCE NO. 839  
(SERIES 2016)**

**AN ORDINANCE OF THE TOWN OF PAGOSA SPRINGS  
TEMPORARILY SUSPENDING THE PROCESSING OF ALL  
PENDING AND FUTURE APPLICATIONS FOR LICENSES FOR  
MARIJUANA BUSINESS ESTABLISHMENTS**

WHEREAS, the Town of Pagosa Springs (“Town”) is a home rule municipality duly organized and existing under Article XX of the Colorado Constitution and the Pagosa Springs Home Rule Charter of 2003, as amended on April 3, 2012; and

WHEREAS, on November 7, 2000, the voters of the state of Colorado approved Amendment 20 enacted as Article XVIII, Section 14 of the Colorado Constitution (“Amendment 20”), which authorizes, subject to certain limitations, the medical use of marijuana by patients who have been advised by their physician, in a bona fide physician-patient relationship, that the patient might benefit from the medical use of marijuana in connection with the patient’s debilitating medical condition; and

WHEREAS, Amendment 20 further provides such patients and their primary caregivers an affirmative defense, subject to certain limitations, to a state law charge regarding the use and possession of marijuana; and

WHEREAS, the General Assembly enacted the Colorado Medical Marijuana Code (C.R.S. §12-43.3-101, et seq., hereafter, “Colorado Medical Marijuana Code”) to implement Amendment 20 to the Colorado Constitution authorizing the use of marijuana for medical purposes; and

WHEREAS, subsequent to the adoption of the Colorado Medical Marijuana Code, the Colorado Department of Revenue adopted 1 CCR 212-1, Series 100 through 1400, Medical Marijuana Rules; and

WHEREAS, subsequent to the enactment of the Medical Marijuana Code, Colorado voters enacted Amendment 64 to the Colorado Constitution (Article XVIII, §16 to the Constitution) authorizing specified non-medical marijuana establishments and non-medical marijuana use, now known as “retail” marijuana establishments and use; and

WHEREAS, pursuant to Amendment 64, the General Assembly enacted the Colorado Retail Marijuana Code (CRS §12-43.4-101, et seq., hereafter, “Colorado Retail Marijuana Code”) governing retail marijuana establishments and use as more particularly described in the Colorado Retail Marijuana Code; and

WHEREAS, subsequent to the adoption of the Colorado Retail Marijuana Code, the Colorado Department of Revenue adopted 1 CCR 212-2, Series 100 through 1400, Retail Marijuana Rules; and

WHEREAS, pursuant to Amendment 64, and the Colorado Retail Marijuana Code, including specifically, §§12-43.4-104(3) and 309(1), municipalities may adopt regulations governing the time, place, manner and number of retail marijuana establishments, which may include a local licensing requirement, that are at least as restrictive as the provisions of the Retail Marijuana Code; and

WHEREAS, the Town Council is authorized to adopt and enforce ordinances and resolutions regarding health, safety, and welfare issues as otherwise prescribed by law, and provide for the enforcement thereof; and

WHEREAS, by Ordinance No. 825 (Series 2015), the Town adopted specific standards and procedures for local licensing of marijuana-related businesses and establishments; and

WHEREAS, Archuleta County has indicated that it may revise its marijuana regulations and the Town may want to adopt the same or similar amendments adopted by the County; and

WHEREAS, the Town Council has asked Town staff to study whether certain amendments to the requirements in Article 6 of the Town Code for marijuana-related businesses and establishments are necessary and appropriate, including but not limited to the requirement for marijuana establishments to obtain seventy (70) percent of their marijuana inventory from a cultivation facility located within Archuleta County; and

WHEREAS, the Town Council believes it to be in the best interest of the peace, health and safety of the Town's residents, visitors and businesses to temporarily suspend the processing of all applications for marijuana-related businesses and establishments until such time as the Town can study the need for additional changes to the Municipal Code related to the application, licensing, and operation requirements for marijuana-related businesses and establishments; and

WHEREAS, to permit Town staff and the Town time to study and prepare amendments to Article 6 of the Municipal Code (the "Marijuana Licensing Regulations"), applications for marijuana-related businesses and establishments will not be accepted until January 1, 2017, or until such time as the Town Council has adopted an amendment to the Marijuana Licensing Regulations or determined not to amend the Marijuana Licensing Regulations, whichever occurs first.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF PAGOSA SPRINGS, COLORADO, as follows:

**SECTION 1 – Findings of Fact.** The Town Council of the Town of Pagosa Springs hereby makes the following findings of fact:

A. That the Town has received applications from applicants interested in opening marijuana-related businesses but who are unable to obtain seventy (70) percent of their day-to-day marijuana inventory from suppliers located within Archuleta County.

B. That Sections 6.5.1.9(1)(v) and 6.5.5.2(2)(j) of the Municipal Code require a retail marijuana store to obtain and confirm that it will be able to obtain at least seventy (70) percent of its retail marijuana inventory from a marijuana cultivation facility located within Archuleta County.

C. That Sections 6.5.1.9(1)(u) and 6.5.5.2(1)(n) of the Municipal Code require a medical marijuana center to obtain and confirm that it will be able to obtain at least seventy (70) percent of its medical marijuana inventory from a marijuana cultivation facility located within Archuleta County.

D. That additional study is needed to determinate whether the requirement to obtain seventy (70) percent of medical and retail marijuana from cultivation facilities located within Archuleta County should apply to the day-to-day marijuana inventory or the average of all inventory over a certain period of time.

E. That there are not currently enough marijuana cultivation facilities located within Archuleta County to supply additional marijuana businesses and establishments with at least seventy (70) percent of their day-to-day inventory.

F. That Archuleta County is studying possible changes to its marijuana regulations and the Town may want to adopt any changes made by the County.

G. That it is necessary and in the interest of public peace, health and safety to delay, for a reasonable period of time, the processing of any applications for marijuana businesses and establishments to ensure that the legality, definition, and licensing requirements are consistent with the long-term planning objectives of the Town.

H. That, during the above mentioned period of time, the Town should:

1. Analyze and determine if the Town of Pagosa Springs should amend its Municipal Code to clarify the seventy (70) percent requirement in Sections 6.5.1.9(1)(v), 6.5.5.2(2)(j), 6.5.1.9(1)(u) and 6.5.5.2(1)(n).

2. Analyze and determine if any amendments to the Archuleta County marijuana regulations are made and if it is appropriate and necessary then to adopt similar changes to the Municipal Code.

3. Analyze and determine if any other amendments to the Marijuana Licensing Regulations or other sections of the Municipal Code are necessary to clarify the application, licensing, or operating rules for marijuana-related businesses and establishments.

**SECTION 2- Temporary Suspension of Applications.** In order to study the legal and licensing issues regarding marijuana businesses and establishments, the Town temporarily suspends the consideration of all pending and future applications for marijuana-related businesses and establishments. Such temporary suspension shall be in effect from the effective date of this Ordinance through January 3, 2017, unless such time period is expressly amended by the Town Council, or until such time as the Town Council has adopted an amendment to the Municipal Code related to the application, licensing, or operating requirements for marijuana-related businesses and establishments, or determined not to so amend the Municipal Code, whichever occurs first.

**SECTION 3 – Applicability.** The provisions of the Ordinance shall affect the processing of any applications associated with marijuana businesses and establishments, including both retail and medical marijuana establishments.

**SECTION 4 – Direction to Staff.** Town staff is hereby directed to develop recommendations to the Town Council pertaining to the criteria noted in Section 1 of this Ordinance regarding the appropriate applications of Sections 6.5.1.9(1)(v), 6.5.5.2(2)(j), 6.5.1.9(1)(u) and 6.5.5.2(1)(n), and to make specific recommendations regarding any proposed amendments to the Town’s Marijuana Licensing Regulations.

**SECTION 5 – Severability.** If any portion of this Ordinance is found to be void or ineffective, it shall be deemed severed from this Ordinance and the remaining provisions shall remain valid and in full force and effect.

**SECTION 6 – Public Inspection.** The full text of this Ordinance, with any amendments, is available for public inspection at the office of the Town Clerk.

**SECTION 7 - Effective Date.** This Ordinance shall become effective immediately upon passage of first reading and shall be recorded in the official records of the Town kept for that purpose and shall be authenticated by the signatures of the Mayor and the Town Clerk.

INTRODUCED, READ, AND ORDERED PUBLISHED BY TITLE ONLY  
PURSUANT TO SECTION 3.9, B) OF THE PAGOSA SPRINGS HOME RULE  
CHARTER, BY THE TOWN COUNCIL OF THE TOWN OF PAGOSA SPRINGS,  
COLORADO, UPON A MOTION DULY MADE, SECONDED AND PASSED AT ITS  
REGULAR MEETING HELD AT THE TOWN OF PAGOSA SPRINGS, ON THE 21<sup>ST</sup>  
DAY OF APRIL, 2016.

TOWN OF PAGOSA SPRINGS,  
COLORADO

By: \_\_\_\_\_  
Don Volger, Mayor

Attest:

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

FINALLY ADOPTED, PASSED, APPROVED, AND ORDERED PUBLISHED BY  
TITLE ONLY PURSUANT TO SECTION 3.9, D) OF THE PAGOSA SPRINGS HOME  
RULE CHARTER, BY THE TOWN COUNCIL OF THE TOWN OF PAGOSA  
SPRINGS, COLORADO, UPON A MOTION DULY MADE, SECONDED AND  
PASSED AT ITS REGULAR MEETING HELD AT THE TOWN OF PAGOSA  
SPRINGS, ON THE 3<sup>RD</sup> DAY OF MAY, 2016.

TOWN OF PAGOSA SPRINGS,  
COLORADO

By: \_\_\_\_\_  
Don Volger, Mayor

Attest:

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

**CERTIFICATE OF PUBLICATION**

I, the duly elected, qualified and acting Town Clerk of the Town of Pagosa Springs, Colorado, do hereby certify the foregoing Ordinance No. \_\_\_\_ (Series 2016) was approved by the Town Council of the Town of Pagosa Springs on first reading at its regular meeting held on the 21<sup>st</sup> day of April, 2016, and was published by title only, along with a statement indicating that a violation of the Ordinance is subject to enforcement and punishment pursuant to Article 3, Chapter 1 of the Pagosa Springs Municipal Code (P.S.M.C.), and specifically Section 1.3.3, which provides for a fine not exceeding \$1,000 or incarceration not to exceed one year, or both, that violation of the ordinance constitutes a public nuisance that may be abated pursuant to Article 2, Chapter 11 of the P.S.M.C., that the Town may seek injunction, abatement, or restitution in case of violation, and any other remedies provided by law or equity, and that the full text of the Ordinance is available at the office of the Town Clerk, on the Town’s official website, on April \_\_\_\_\_, 2016, which date was at least ten (10) days prior to the date of Town Council consideration on second reading.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Town of Pagosa Springs, Colorado, this \_\_ day of \_\_\_\_\_, 2016.

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

(S E A L)

I, the duly elected, qualified and acting Town Clerk of the Town of Pagosa Springs, Colorado, do hereby certify the foregoing Ordinance No. \_\_\_\_ (Series 2016) was approved by the Town Council of the Town of Pagosa Springs on second reading, at its regular meeting held on the 3<sup>rd</sup> day of May, 2016, and was published by title only, along with a statement indicating the effective date of the Ordinance and that the full text of the Ordinance is available at the office of the Town Clerk, on the Town’s official website, on \_\_\_\_\_, 2016.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Town of Pagosa Springs, Colorado, this \_\_ day of \_\_\_\_\_, 2016.

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

(S E A L)



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 MEETING AGENDA  
THURSDAY, APRIL 21, 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 April 6 & 14, 2016 Meeting Minutes**
  2. **Approval of March Financial Statement and Accompanying Payments**
- V. **REPORTS TO BOARD**
  1. **Sanitation District Report**
- VI. **OLD BUSINESS**
  1. **PAWSD/Pipeline Update Report**
- VII. **NEXT BOARD MEETING MAY 3, 2016 AT 5:00PM**
- VIII. **ADJOURNMENT**



# AGENDA DOCUMENTATION

## REPORTS TO BOARD: V.1

PAGOSA SPRINGS SANITATION BOARD OF DIRECTORS

APRIL 21, 2016

FROM: GENE TAUTGES, SANITATION SUPERVISOR

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**PROJECT: SANITATION DISTRICT REPORT**

**ACTION: DISCUSSION**

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### ADMINISTRATIVE

Staff is anticipating the contract from the Small Community Grant Program to be ready late this month from the state health department. Once all of the paperwork is completed, we will bring the contract to the board for approval which is anticipated possibly at the May 5<sup>th</sup> meeting. This program consists of a \$442,765 grant with a maximum match of \$189,756 to enlarge the storage vault at PS #1.

Thus far in 2016, we have done one new sewer tap and we have seven additional applications pending. It looks as though it might be a busy year!

### COLLECTION SYSTEM.

We encountered a clog in the collection system 2 weeks ago which was quickly taken care of with the assistance of a local contractor.

### WASTEWATER TREATMENT PLANT

The average daily flow to the lagoon system in March was 275,000 gallons per day. It has been a year now since a violation of the discharge permit has occurred, so the processes staff has incorporated seem to be paying off. I continue to do just the maintenance required to keep the system functional for a few more months until the pumping project goes on line.

### GEOHERMAL

Staff anticipates doing the new tap for the geothermal greenhouse project as well as the new restrooms in Centennial Park in the near future. All eight geothermal data logging locations have been downloaded for the month of March and will be disseminated to the requesting entities this week.



# AGENDA DOCUMENTATION

## OLD BUSINESS: VI.1

PAGOSA SPRINGS SANITATION BOARD OF DIRECTORS

APRIL 21, 2016

**FROM: GENE TAUTGES, SANITATION SUPERVISOR**

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**PROJECT: PAWSD/PIPELINE UPDATE REPORT**

**ACTION: DISCUSSION**

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### UPDATE

Staff met with the new project engineer from Bartlett and West on 4/12/16. His name is Greg Meyer and we are working to get him up to speed on the project. A start-up date of late May or early June is still anticipated assuming no other technical issues.

Staff and Browns Hill Engineering continue work on the radio repeater site at the transfer station with the county, as well as installation of antennas at the pump stations and a co-location on a cell tower on Reservoir Hill. This is all for the Supervisory Control and Data Acquisition System (SCADA) that monitors and controls the pump stations.

The contractor is in the process of providing a new project timeline and has done some electrical work this month solving some issues at both pump stations. Staff has requested proposals from local landscape companies on the planting of trees at pump station #2 which was promised when the Colorado Timber Ridge HOA provided an easement for the project.

The board met April 14<sup>th</sup> to discuss the deal points regarding the proposed new IGA for the pumping project. The Board is awaiting a draft IGA to consider.

As always, I am available to answer any questions you may have or to give you a quick tour of the project at your convenience.

Respectfully submitted,  
Gene Tautges  
Sanitation Supervisor