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

- I. **CALL MEETING TO ORDER** – Mayor Volger, Council Member Bunning, Council Member Lattin, Council Member Patel, Council Member Schanzenbaker, School Representative Thompson
- II. **PUBLIC COMMENT** – Mr. Mark Weiler asked about the results of the Pagosa Verde drilling project. He would like a public meeting to hear the results.
- 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** – The police department had 2 documented liquor warnings and one documented liquor violation regarding alcohol service/consumption after-hours. Police Chief Rockensock said that one of the Town officers advised the establishment to stop serving after hours. They were later cited with serving after hours, disposition was completed. Mr. Jeremy Hutton said they serve dinner until 2 am, the warnings were given to a manager on duty. He said they have taken the TIPS training and complied with the judges requirements. Mayor Volger said that all liquor license establishments on notice that the Town will be watching and they care for the community. Council Member Bunning moved to approve the liquor license renewal for Western Slope Break Room, Council Member Patel seconded, unanimously approved.
 - b. **Liquor License Renewal – Ajia Asian Cuisine & Spirits at 180 E Pagosa Street**
 - c. **Liquor License Transfer – Thai Chilie 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** Council Member Bunning asked item 3a be pulled from the consent agenda. Council Member Schanzenbaker asked to remove item 6 from the consent agenda. Council Member Lattin requested item 5 be removed. Council Member Schanzenbaker moved to approve the consent agenda excluding item 3a, 5 and 6, Council Member Lattin seconded, unanimously approved.
 5. **East End Riverwalk Repaving Contractor Award** - The Riverwalk project has been in the works for several years and is poised to begin construction upon contract award. The completion is due within 14 days of notice to proceed. The project’s scope is from the 1st Street bridge trailhead to behind 356 E Pagosa St at Borde Rio. The project is comprised of 1,413 lineal feet of asphalt and 130 lineal feet of concrete. Additional, staff will work in

coordination with the property owners at 356 E 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 result of the competitive bid process yielded a low bid from Strohecker Asphalt and Paving Inc. at \$61,164 which is within the Town's budgeted amount of \$68,000. Council Member Lattin asked if the original budget included the secondary paths. Town Manager Schulte said the original budget did not include the side paths. She asked if the scope of work changed. Town Manager Schulte said the scope did not change and the side paths can be added in 2017 budget. He said the other bid was \$60 more from Concrete Connections; both bidders will be utilizing the other bidders as contractors for this project. Council Member Lattin moved to award the contract to Strohecker and Paving Inc. for the apparent low bid of \$61,164, utilizing the budgeted \$68,000 and authorize the Town Manager to execute the contract documents, Council Member Bunning seconded, unanimously approved.

6. **Centennial Park Restrooms Change Order** - As part of the Town's DOLA grant for the greenhouse project, it agreed to place a restroom within Centennial Park to act as its \$80,000 match. In 2015 UCAL Inc. was awarded the bid for the GGP construction project, at the time the bathroom was not a part of the original contract as the funding for the bathroom was not available until 2016. 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. 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. 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. Council Member Schanzenbaker said it doesn't seem appropriate to do an \$80,000 change order. He said UCAL will most likely bid, but that it is really more of a time issue. Council Member Patel said the savings of time and money this is the better way to go. Council Member Bunning moved to authorize the Town Manager to utilize a change order for this portion of the project, Council Member Patel seconded, motion passed with two nays (Council Member Schanzenbaker and School Representative Thompson).

IV. REPORTS TO COUNCIL

1. Featured Department Head Reports

- a. **Maintenance Department** – Town Maintenance Supervisor, Dennis Ford, reported that all heating and cooling equipment at the Town Hall and Community Center has received scheduled maintenance. Staff replaced all automatic door openers at the Community Center since they had failed due to age. They 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. Staff assisted sanitation crew with drilling into concrete slab to improve access capability to a sewer valve and helped the streets crew with installing a culvert abutment at 1st and Lewis Street. Two repairs of the geothermal system were completed; one at 3rd 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. Mayor Volger said he appreciates all the work that Dennis and his crew can do for the Town. He is available for

every project and any different types of project he is involved and able to complete the project.

b. Building and Fire Safety - Wal-Mart received an additional extension on its temporary Certificate of Occupancy (CO) for 120 days to expire April 17, 2016. Prior to issuance of a final CO, they must complete the landscaping and parking lot lighting. The Department currently has 114 active building permits. Staff submitted the annual report of building permits issued for privately owned housing units. The 2015 records indicate that 21 living unit permits were issued and valued at \$5,627,077. The Census Bureau makes extensive use of administrative data to produce census and survey data. 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 Department continues to work with legal counsel to follow-up on building code violations. A recent issue was reported 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. 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. He said there is free training of the energy code by grant funding. They will schedule a date for the training. The department is working on clean up week letters of notice. The new fire inspector has been completing inspections.

2. **Sales Tax Brief** - February 2016 sales tax 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. Compared to the revenue received for February 2014, the 2016 receipts represent a 40% increase over the last two years.
3. **Lodgers Tax Brief** – January 2016 showed a 10.26% increase over 2015 and February 2016 was up 10.29% over 2015. Both January and February 2016 reflect the strongest January and February on record. Staff is working on launching a new web site enhanced with itinerary features and a more robust site. The director attended the Mountain Travel Symposium meeting with Tour Operators, Ski Groups, and Meeting Planners. The tour operators were interested in all-inclusive packages, the ski groups as well as the tour operators are in need of affordable shuttle service, and the meeting planners were hoping to have more success planning events in the future. Pagosa Springs hosted the Southwest Tourism Summit with great success. We hosted approximately 130 people from around the area.

V. NEW BUSINESS

1. **Ordinance 839, First Reading, Temporary Moratorium on Licensing Marijuana Establishments** - In 2015 by Ordinance 825, 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 in regards to the sourcing of flowing bud product for sale. 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. This ordinance allows the temporary suspension of 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. The most current license approved has a for lease sign on the building. A person can transfer the

current license; however this ordinance would restrict any processing of a license transfer. Mr. Mark Weiler asked why the Town Council would thwart economic development and make it hard for new businesses to open. Council Member Patel moved 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 September 6, 2016 striking section 1.e from the ordinance, Council Member Schanzenbaker seconded, unanimously approved.

VI. PUBLIC COMMENT – None.

VII. COUNCIL IDEAS AND COMMENTS - Council Member Lattin said she is having a difficult time with the 8th Street project. She said the designs have changed from no parking on one side to same amount of lanes, same sidewalks with the addition of a couple of street lights and a 10 foot walkway. She said the Town is spending a lot of money and isn't looking at the future if the school district gets the campus they are considering. She said two lanes are not going to be enough and spending \$2.6 million on adding base material, a 10 foot walk and a couple of street lights are not enough in her opinion for the future of 8th street. Council Member Schanzenbaker said there should be steps to Hometown Market. Town Manager Schulte said there will be a menu of items the council can select to complete. Council Member Lattin asked for a bid without replacing the sub-base and just applying asphalt. The final approval from CDOT is all that the Town is waiting for on the Library to Elementary School trail. The easement from Wyndham is signed and the west end trail should be started soon. Mr. Weiler said the Town Council spent a lot of money on Lewis Street, and suggests trying to maintain and build more streets in Pagosa. Council Member Schanzenbaker said the streets should be completed prior to them falling apart and would like to see more chip and seal. Mayor Volger asked what percentage the Town puts into maintenance and how much in new infrastructure.

VIII. NEXT TOWN COUNCIL MEETING MAY 3, 2016 AT 5:00 PM

IX. ADJOURNMENT – Upon motion duly made, the meeting adjourned at 6:34pm.

Don Volger
Mayor