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**TOWN COUNCIL SPECIAL MEETING MINUTES**  
**THURSDAY, MAY 23, 2013**  
**Town Hall Council Chambers**  
**12:00 P.M.**

- I. CALL MEETING TO ORDER** – Mayor Aragon, Council Member Bunning, Council Member Cotton, Council Member Lattin, Council Member Schanzenbaker, Council Member Volger
- II. APPROVAL of MEETING MINUTES FROM MAY 7, 2013** – Minutes were approved as read
- III. PUBLIC COMMENT** – Mr. Mark Weiler presented to Town Council a vision for Pagosa Springs to Dream Big Dreams. He said that when originally proposed, he was not in favor of a recreation center, but with the changes in the town economics he is now in favor. He said the five acres of land across from the Town Hall or possibly the 20 acres at the current Sanitation lagoons would be a good place to put a new recreation center. He said paying for a new recreation center could be completed partially with municipal bonding, or one the community center loan is paid off in a few years those funds could be accessed. He said the Friends of Reservoir Hill, the CDC and community involvement could possibly work on a vision for a recreation center. Mr. Weiler asked that council support the possibility to dream of a recreation center. Council Member Lattin would like to be involved in discussion and development of a recreation center. Council Member Cotton said the Town Council has never squelched a citizen over something they wanted to do and the this group doesn't need permission from Council to work on this project. Council Member Volger said the CDC and Friends of Reservoir don't necessarily represent all the town citizens, he suggests representation from Municipal Government, Town employees, County Government if they are to be involved, and a broad base of citizens from the community. Mr. Weiler said a small group needs to start on the project and then work up to more involvement with the town staff and citizens. Mrs. Muriel Eason said that Mr. Weiler came up with a great idea in the Recreation Center for the community and she is in support. She agrees with Council Member Volger to get more people and groups involved. Mrs. Christina Funk agrees with Muriel and is interested in assisting as a member of the community. The Friends are interested in the observation tower and she has not asked them to participate in this discussion, but she is interested as a citizen in helping with a possible recreation center. Council Member Lattin said she has been looking into the recreation center and is happy to share that with the group. Mr. Mitchem said the council needs to look at the revenue stream and what the council has already decided to commit to in capital projects. He thinks the town could consider other revenue streams to fund this center. Council Member Schanzenbaker supports the concept and appreciates Council Member Lattin's involvement. Mayor Aragon said there are too many other unfinished priorities that have to be completed before shifting to a new project.

#### IV. LIQUOR LICENSE

1. **Liquor License Renewal – Shabri LLC dba Plaza Liquor 511 San Juan St**
2. **Liquor License Renewal – Los Garcia’s Inc dba Tequila’s 439 San Juan St Pagosa Springs**
3. **Liquor License Renewal – Los Bernal LLC dba Chato’s Mexican Restaurant 230 Country Center Dr Pagosa Springs** – Council Member Volger moved to approve the liquor license renewal for Shabri LLC dba Plaza Liquor, Los Garcia’s Inc dba Tequilla’s, and Los Bernal LLC dba Chato’s Mexican Restaurant, Council Member Lattin seconded, unanimously approved.
4. **Special Events Liquor Permit – Friends of the Upper San Juan River, Cruise-A-Thong event July 13, 2013 at Town Park**
5. **Special Events Liquor Permit – Pagosa Springs Chamber of Commerce, Ride The Rockies event June 11, 2013 at the Town Park** – Council Member Lattin moved to approve the special events liquor permit for Friends of the Upper San Juan River Cruise-A-Thong July 13, 2013 and Pagosa Springs Chamber of Commerce Ride the Rockies June 11, 2013, Council Member Volger seconded, unanimously approved.

#### V. NEW BUSINESS

1. **Street Paving Proposal** -The Town’s capital improvement plan includes the reconstruction and repaving of Piedra St from 8<sup>th</sup> St to 10<sup>th</sup> St. On September 6, 2012, the Town Council discussed paving of Piedra Street between Old Durango Road and 8<sup>th</sup> Street. At that time, Strohecker Asphalt and Paving estimated the cost at \$79,550; Council expressed their preference to include a sidewalk along this road for access to the elementary school. Staff requests permission to bid and construct the asphalt portion of the project (not to exceed \$87,000) during 2013 and add-on the sidewalk, curb and gutter (\$100,000) in 2015, when Town sales tax revenues are projected to increase. The section from Apache St to the high school property has deteriorated and needs immediate attention. Staff recommends that this section of 8<sup>th</sup> St be repaved this summer. Strohecker Asphalt and Paving estimates the cost at grinding the existing asphalt, shaping and laying a new four inch asphalt mat to be \$46,832.70. Council Member Lattin asked if concrete would hold up better for this high traffic area rather than asphalt. Council Member Cotton said it would, but would be double the costs. He believes it is too late in the season for asphalt and would like to see a sidewalk included in the project. Council Member Schanzenbaker asked about the changes made to the Streets Capital Improvement Plan and the increased amount to pave 10<sup>th</sup> Street from \$110K to \$250K, Mr. Mitchem was unsure and would need to get back to Council Member Schanzenbaker after speaking with Chris Gallegos, Public Works Superintendent. Council Member Volger moved to approve the paving of Piedra Street from 8<sup>th</sup> Street through 10<sup>th</sup> Street to Old Durango Road and the section 8<sup>th</sup> Street from Apache Street to the high school property; and appropriate up to \$48,000 out of Capital Fund reserves, Council Member Lattin seconded, motion failed with four nays (Council Members Bunning, Cotton, Schanzenbaker, and Mayor Aragon).
2. **Resolution 2013-13, 5<sup>th</sup> Street Vehicular Bridge and Road Extension TIGER V Grant** – A new federal grant has been brought to staff’s attention that the 5<sup>th</sup> Street vehicular bridge and road extension project may be eligible for. This grant application is due June 3, 2013. Upon award, communities will have 5 years to complete construction. The USDOT TIGER V funds are available to rural communities in amounts up to \$10,000,000 to make investment in infrastructures. Resolution 2013-13 allows staff to apply for the funding in the amount of \$6,169,410 with a Town cash match of \$325,000 to be spending in 2015-2017. The project will need be completed by June 2018. Council Member Bunning moved to approve staff to apply for US Department of Transportation TIGER V grant funds for the 5<sup>th</sup> Street Vehicular Bridge and road extension, and approve supporting Resolution 2013-13, Council Member Volger seconded, unanimously approved.

#### VI. OLD BUSINESS

1. **Ordinance 788, Second Reading, Prohibiting Marijuana Establishments** -The current moratorium on the medical marijuana business issue expires July 30, 2013. On November

6, 2012, voters in Colorado passed Amendment 64, “Use and Regulation of Marijuana,” which permits the use and sale of marijuana by and to adults over 21 years old and also permits the operation of certain recreational marijuana businesses. However, municipalities may prohibit the operation of marijuana establishment by ordinance or through an initiated or referred method. Prohibitions or local restrictions must be in place no later than October 1, 2013, which is when marijuana businesses may begin operating. This Ordinance adds two new Articles to Chapter 6 of the Town Code – Article 5 prohibiting the sale and cultivation of medical marijuana and Article 6 prohibiting the operation of marijuana establishments, including marijuana clubs, with the Town. The first reading was approved on April 1, 2013. Mr. Bill Delaney is interested in retail sales, he does not believe cultivation, marijuana clubs, manufacturing or testing facilities are needed in town limits. He said this is a social decision and the ability for people to get marijuana from a respectable, reliable facility since they are now allowed to possess it. Council Member Cotton moved to approved second reading of Ordinance 788, Council Member Bunning seconded, vote tied (3 nays Council Members Lattin, Volger, Schanzenbaker). Council Member Schanzenbaker said the worksession on May 14<sup>th</sup> made it clear that there are options other than approving this ordinance. Council Member Cotton doesn’t believe there will be rules made by the State in two months and doesn’t want to take back a license that had been given to a proprietor. He said prohibit now and un-prohibit later after the rules are made by the State and agreed on by the Town Council. Council Member Volger said to pass this ordinance at this time is unnecessary and premature, he would like to wait for the State to decide.

2. **Sales Tax Brief** – May sales tax revenues increased 9.55% compared to May 2012. This is an increase of \$23,205, the year to date sales tax receipts are up 5.68% over 2012.

## VII. DEPARTMENT HEAD REPORTS

1. **Community Center Report** – The community center is preparing for two events in June, Dance for Disaster Relief and the Hazel Miller concert to benefit Relay for Life.
2. **Parks and Recreation Department Report** - Tee-ball for ages 5-6 began May 8 and includes 18 fewer participants than last year’s total of 72. Registration for this year’s youth baseball leagues for ages 6-14 ended last week. To date, this year’s youth baseball leagues include 163 participants, up from last year’s total of 143. The season will begin the first week of June and run through early July. The parks crew continues to provide routine maintenance for the Town parks and is assisting FolkWest with early preparations for the Folk and Bluegrass Festival, particularly the overseeding and irrigation of the meadow. Aeration and fertilization of all the parks will continue through the end of the month, and installation of a new sun shade, baseball/softball scoreboard and bleachers in Yamaguchi Park will be completed before the end of the month, as well.
3. **Town Tourism Committee Report** - February and March lodgers tax will reflect a decline, as one downtown property changed ownership and the previous owner owes lodging taxes from February 1st - March 19th. The new owners paid taxes for March 20th - 31st. If payments had been received, February would’ve been very strong and March likely would’ve been slightly down or flat. Visitor Center traffic was up in 4.6% in April 2013, with time shares and campers representing most visitors. Year to day, visitor center traffic is down 6.3%. [www.facebook.com/visitpagosasprings](http://www.facebook.com/visitpagosasprings) - fans now surpass 7,163 fans, as of 5/16/2013; fan engagement with page remains strong. The TTC Board determined during its May meeting to enhance the shade structure for summer 2013, while working towards plans and public input for a permanent structure for the overlook area. The TTC is investigating moving to a responsive website design. Responsive is a web design approach aimed at crafting sites to provide an optimal viewing experience—easy reading and navigation with a minimum of resizing, panning, and scrolling—across a wide range of devices (from desktop computer monitors to mobile phones to touch screen monitors). Town staff has been in contact with the Chamber regarding Visitor Center costs and operations, more information is forthcoming.
4. **Planning Department Report** - CDOT will be paving Hwy 160 between 8th Street and 3rd Street between Tuesday May 28th and Friday May 31st. On April 26th, staff presented to the School Board seeking permission to move forward with the proposed trail alignment

along the north side of the Elementary School, as part of the east phase of the Town to Pagosa Lakes Trail. The School Board voted 3 in favor and 2 against the proposed trail alignment, with the approval being contingent on Town Council approving a sidewalk along the east side of 10th Street and a fence along the entire length of the trail. Due to the full scope of the proposed improvements now coming in over the budgeted CDOT enhancement project (\$230,000 CDOT and \$60,000 Town = \$298,000 total), the Town Planning Director has directed Davis Engineering to reduce the project scope to include the 8th Street sidewalk extension (west side) and the trail up to 10th Street. Staff recommends the Town pay for the 8<sup>th</sup> St Sidewalk portion using the \$144,000 budgeted sidewalk improvement funds, and the approximate \$30,000 for the 10<sup>th</sup> St sidewalk extension be taken from the grant match. The Town Council agreed to move forward with staff's recommendation. The Wal-Mart building permit and site plans are currently under review. The two CDOT permits for Alpha Drive and Aspen Village Drive have been approved and issued by CDOT. The USACE permit is still in process and expected to be issued by the end of May 2013. The Alpha Drive engineered construction drawings are under review and Wal-Mart is reviewing the Developer Improvement Agreement (DIA) for Alpha Drive improvements. Both the DIA for Alpha Drive and the USACE permit must be approved prior to issuance of a building permit. Wal-Mart still expects an early 2014 grand opening. Staff has been working with Tractor Supply Company (TSC) for their submittal of a Major Design Review application for their proposed 23,000 sq ft retail store. Application submittal is expected in mid May 2013 with a Design Review Board Public Hearing possibly scheduled on June 18th or 25th, 2013. The applicant hopes to complete site improvements and dry in the new building before winter and then complete the store interior for an early 2014 grand opening. The new 2<sup>nd</sup> Street intersection crosswalk equipment has been delayed due to one of the manufactures of parts moving their facilities. The Riverwalk Condos II project, across the River from Town Hall, has been reinstated. A new owner of the property has submitted a building permit application to complete Building B and is currently reviewing a revised Developers Improvement Agreement (DIA) for the completion of the Private and Public improvements previously approved for the development. As previously reported in 2012, the Odd Fellows are interested in donating their cemetery to the Town. Since staff's last brief on this matter in 2012, the Odd Fellows had looked at other entity's interested accepting the cemetery donation. Wyndham had originally proposed remodeling of their building at Village and Pinon Causeway, instead they have purchased the property at Talisman and Village Dr and will be remodeling the building to suit their needs. The GOCO grant application for the pedestrian bridge at the 6<sup>th</sup> St bend was denied on this round, GOCO encouraged staff to apply again for the fall grant cycle. Council Member Lattin met with the TTC, P&R, and HPB members to discuss how to work together with boards and commissions. The Boards and Commissions would like to have a worksession from 5-7pm on Monday or Wednesday to talk about the board requirements and expectations. June 12<sup>th</sup> at 5:00pm is preferable and Council Member Lattin will get back to Council with confirmation.

5. **Town Manager Report** - The Immigration Act of 1990 provides an opportunity for immigrant investors to obtain a green card visa by investing in United States communities. This program is designed to create new jobs for current U.S. citizens. To obtain the visa, individuals must invest at least \$500,000 in a targeted employment area (high unemployment or rural areas), creating or preserving at least 10 jobs for U.S. workers excluding the investor and their immediate family. In early May Region 9 Economic Development District of Southwest Colorado held a briefing regarding the financing option and the possibility of Region 9 becoming certified as a regional center. To make obtaining regional center certification cost effective, the initial project needs to be \$10,000,000 or more. Subsequently, smaller projects are workable.

#### **VIII. APPROVAL OF APRIL FINANCIAL STATEMENT AND ACCOMPANYING PAYMENTS**

– Council Member Volger moved to approve the April financial statement and accompanying payments, Council Member Lattin seconded, unanimously approved.

#### **IX. PUBLIC COMMENT** – Mr. Mark Weiler is saddened that the Council cannot support a grass roots

community effort for a community center, he asked Town Council for their support going forward with this project. Council Member Volger asked the recreation center item be put on the next meeting agenda, Mr. Weiler asked the item be put on the June 20 meeting.

**X. NEXT TOWN COUNCIL MEETING JUNE 4, 2013 AT 5:00PM**

**XI. ADJOURNMENT** – Upon motion duly made, the meeting adjourned at 2:09pm.

**Ross Aragón**  
**Mayor**