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TOWN COUNCIL MEETING MINUTES
TUESDAY, JUNE 3, 2014
Town Hall Council Chambers
551 Hot Springs Blvd
5:00 p.m.

- I. **CALL MEETING TO ORDER** – Mayor Volger, Council Member Alley, Council Member Bunning, Council Member Egan, Council Member Lattin, Council Member Patel, Council Member Schanzenbaker
- II. **PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE**
- III. **APPROVAL of MEETING MINUTES FROM MAY 22, 2014** – The minutes were approved as read.
- IV. **PUBLIC COMMENT** – Mayor Volger explained to the public the process of putting items on the agenda. He said if the public would like something to be added to the agenda they should contact either the Mayor or the Town Manager. If the item is not going to be put on the agenda, the Mayor or Town Manager will contact that person to explain the information. The packets go to the council members a week in advance, but changes occur up until the last minute sometimes. The day before the meeting staff will attempt to get the final agenda and council packet out on the town website for the public to view. Mr. Mark Weiler handed out Resolution 2010-10 highlighting item 7 stating, “The issues raised by the speaker may be placed on a future agenda for discussion or action by the Town Council as determined appropriate by the Town Council.” Council Member Egan said he thought this was the way it should be presented. Mayor Volger said that he wants to be open to the public and put items on the agenda that the council wants on the agenda. Council Member Schanzenbaker appreciates the mayor’s openness to hearing the public hearing. Mayor Volger apologized to Mr. Weiler for not proceeding with the request made by Mr. Weiler at the first meeting in April. Mr. Jason Nichols asked that the smart meter item be put on the July 1st agenda. He said there are towns in Texas and California that have put a moratorium on the installation of the meters. Council Member Egan moved to put smart meters on the 1st July meeting, Council Member Schanzenbaker seconded, unanimously approved. Mrs. Nancy Dickhoff has worked at the visitor center and said it is a great location for the visitors and volunteers.
- V. **LIQUOR LICENSE**
 1. **Special Events Liquor Permit – Pagosa Springs Chamber of Commerce, Rural Philanthropy Days Dinner on June 11, 2014 at Reservoir Hill Park Gazebo**
 2. **Special Events Liquor Permit – Pagosa Springs Chamber of Commerce, Rural Philanthropy Days Culinary Crawl on June 12, 2014 at Town Park**
 3. **Special Events Liquor Permit – Pagosa Springs Chamber of Commerce, Bike Tour of Colorado on June 25, 2014 at Town Park**
 4. **Special Events Liquor Permit – Pagosa Springs Community Facilities Coalition Concert July 25, 2014 at the Ross Aragon Community Center**
 5. **Special Events Liquor Permit – Pagosa Springs Community Facilities Coalition Dance August 15, 2014 at the Ross Aragon Community Center**
 6. **Special Events Liquor Permit – Pagosa Springs Community Facilities Coalition Dance November 17, 2014 at the Ross Aragon Community Center** – Council Member Lattin moved to approve the special liquor permits for Pagosa Springs Chamber of Commerce Rural

Philanthropy Days June 11th and 12th, and Bike Tour of Colorado June 25, and Pagosa Springs Community Facilities Coalition Concert July 25th, and dances August 15th and November 17th, Council Member Patel seconded, unanimously approved.

VI. NEW BUSINESS

1. **TTC Statistics** - Ms. Jennifer Green, Town Tourism Director, gave a brief overview of the statistics of lodging tax. Large growth in the past years, and compared to neighbors like Durango, Cortez and Ouray, Pagosa Springs had higher growth. In the last five years Pagosa Springs has increased lodger's tax, which amounts to an increase of \$25 million dollars in retail sales. The growth can be attributed to additional amenities and activities. The website visitation at visitpagosa.com has doubled since 2009. The Colorado Tourism Office will be presenting their Roadshow at the Ecolux hotel at 5pm on Wednesday June 4th and the public is invited.
2. **Sales Tax November Ballot Issue** – The Town and County have considered placing a 1% sales tax on the November ballot that would be used for a certain item for a five to seven year period. At the council retreat in May, the council discussed the possible uses for the ½% sales tax. Items include finishing the commuter Town to Lakes Trails and upgrading current infrastructure for the parks and recreation departments. Also, the San Juan Riverwalk trail, downtown sidewalks. A proposed 3.5 miles Town to Pagosa Lakes trail from Aspen Village to S 10th Street would cost approximately \$3,500,000. The 2 mile river corridor downtown trail from Town Park to the river center would be approximately \$2,000,000. Yamaguchi Park lighting and additional restrooms at Reservoir Hill park at approximately \$210,000. Sidewalks along Main Street and along downtown area would be approximately \$2,000,000. Other sidewalk to install new sidewalks would cost approximately \$120,000 per block. Mr. Mark Weiler suggested having two ballot issues; a ½ cent for the Town voted on by Town voters, and a ½ cent for the County voted on by the County voters.
3. **First Reading Ordinance 809, Franchise Agreement for Elite Recycling and Disposal, LLC** - On March 17, 2014 a Business License Application was received from "Elite Recycling and Disposal LLC", proposing to start a new rubbish and recycling collection service with in town limits. The Town has three other rubbish collection businesses (currently not providing recycling collection), Waste Management, G&I and At Your Disposal, all operating on Town Streets and Alleys. The terms of each Franchise agreement are very similar and each agreement has specific terms for providing the Town with dumpsters and the weekly collection of such dumpsters and providing roll-off containers for clean up week. Section 4G changed to accommodate containers during special events at the Town's request and in section 4H for containers at the Town Shop, and the correction to mailing address in Section 21. Mr. Chris Tanner, owner of Elite, is excited to get started. He said the bear resistant containers are expensive and he cannot afford the cost at \$200 per container. He picks up after garbage after school begins so it is possible to put the trash out later in the day. Council Member Egan moved to approve the first reading of Ordinance 809, an ordinance of the Town of Pagosa Springs, granting a franchise to ELITE Recycling and Disposal LLC to operate a recycling and refuse collection service in the Town and to use the streets and alleys of the Town for such purpose and setting forth conditions accompanying the granting of this franchise with revisions recommended, Council Member Patel seconded, unanimously approved.
4. **Town Manager Contract with Possible Executive Session per 24-6-402(4)(f) C.R.S. with Regards to Personnel Matters** – Mayor Volger asked Town Manager Mitchem if he would prefer to discuss the contract in public or in executive session. Town Manager Mitchem said executive session. Council Member Lattin moved to go into executive session per C.R.S. 24-6-402(4)(f) regarding personnel matters with the Town Manager, Council Member Schanzenbaker seconded, unanimously approved. Enter executive session at 8:20pm. Mayor Volger called the meeting back into regular session 10:35pm. Town Manager Mitchem thanked the council for the opportunity to work for the town. He said he was submitting his resignation to Town Council with a two week notice. Council Member Egan moved to accept David Mitchem's resignation effective two weeks from today, June 17th, Council Member Lattin seconded, unanimously approved. Council Member Schanzenbaker asked about the severance package. Town Manager Mitchem said he would accept the severance package offered without the inclusion of the \$1,200 per month housing allowance.

VII. OLD BUSINESS

1. **Sales Tax Disbursement IGA** – This item is tabled until further information from Archuleta

County is obtained. One clause in the IGA the council approved in March was objected by the County.

- 2. Visitor Center Proposal** - Over the past few months, the Town Council has considered Visitor Center location options. The Council's Visitor Center Task Force, working in consultation with County Commissioner Steve Wadley and members of the Town Tourism Committee proposed a new location adjacent to the old downtown City Market. On March 4th, the Town Council approved the conceptual plan for the new location and authorized staff and legal counsel to negotiate a lease with the property owner. The space is approximately 1,500 square feet and the property owner has offered the town a monthly rental fee of \$1 per square foot, with the Town being responsible for renovations. On May 5th, the business leader's proposal was presented to Chamber board members in order to keep the visitor center at its current location. In response, the Chamber presented an alternate proposal on May 16th. Recently the visitor center task force met with the Chamber to discuss the merits of purchasing and leasing back the building from the Chamber. Council Member Bunning said that the two options presented include a proposal by the Town and a proposal by the Chamber. He doesn't think there is a permanent solution to this issue in the near future. He said a four month extension keeping both entities in the building and the Town operating the visitor center would be a good decision. Council Member Lattin said May 31st was the deadline to make a decision. She suggests staying in the building and upgrade the bathrooms to ADA standards. The Town would be responsible for the parking lot and park areas. Mrs. Cindy Gallabotta said the lease is a long term commitment, not just a four month lease. Council Member Lattin said the next four months would be month-to-month until the negotiations with a long term lease or purchase of the building is addressed. Town Manager Mitchem said the Town would take on the responsibility to maintain the grounds and run the visitor center. Mrs. Nancy Carpenter said the extension was with the intension of the Chamber running the visitor center. She said they have discussed this for over a year and a half and want to get away from the visitor center. A long term lease would allow them to move on with their business. Mayor Volger said the long term lease is not under consideration. Council Member Bunning withdrew the recommendation to lease for four months. He said the previous discussion with the Chamber was for four months and resents the new changes made by Mrs. Gallabotta tonight. Mr. Jerry Smith said that for a year and a half the Chamber has negotiated to run the visitor center. He said the offer made included the Chamber leasing back their own building. Council Member Alley asked how long is long enough for a lease the Chamber would accept. Mr. Smith said at least a year lease would be necessary. He said the Chamber staff has had to fill in because of losing the volunteers and the visitor center limited staff. Mayor Volger said the Town wants to support the Chamber. He said the Town decided to negotiate to stay in the current location for the best interest of the community. Council Member Lattin said that the Town has been paying the Chamber to manage the visitor center, however the agreement is up and she thought they had decided on a four month lease in order to come back with further negotiations. Mr. Mark Weiler said that our visitors should be able to have a wonderful experience. He said the government is responsible to support the TTC in getting the visitors to the Town, the Chamber is responsible to support the existing businesses. He suggests making a cash offer for the building and has offered his services to assist. Council Member Egan said there is a real estate issue and an operational issue. He suggests purchasing the building. The TTC is running the visitor center, so the discussion now should be about the real estate issue. Mr. Peter Adams said he would hope to get the issue of one year or four month lease decided right now. Council Member Patel suggests finding a solution for the purchase of the building. Town Manager Mitchem said the terms from the Chamber at 3.5% interest is attractive. The council by consensus seemed interested in purchasing the building. Mayor Volger said that by the next meeting the Town will work with the Chamber to negotiate a purchase offer. Town Manager Mitchem accepted the Chamber's offer to keep the Visitor Center at the Chamber building until July 1st for the price proposed in document dated 5/28/14, the Town will assume management responsibility and diligently correct phone system issues, and during that month the Town will work with the Chamber to come to an amount for the purchase price, between the two figures proposed of \$325,000 and \$270,000.
- 3. CDOT and Town IGA Regarding McCabe Creek Bridge and Project Update** - On May 2nd, Town staff received a communication from Ed Archuleta from CDOT, agreeing to a McCabe Creek bridge design that would provide 10 foot head clearance under the bridge decking to accommodate a future trail installation under the bridge and along McCabe Creek, if the Town and CDOT enter into an Inter-Governmental Agreement (IGA) regarding the Town accepting the

future maintenance responsibilities of the new McCabe Creek Bridge area. The town will be responsible for sidewalk maintenance, channel maintenance, paint and graffiti maintenance. The town would also be responsible to pay for additional landscaping, fencing and railing, geothermal lines, and bench for future trail construction. Potential additional costs could add up to over \$321,000 in 2015 and 2016. Kerrie Neet with CDOT will be in on Friday June 6 at 9am. Council Member Schanzenbaker asked about the future trail going to the San Juan River or up the creek into the neighborhoods. He wants to see the pricing for keeping the trail in the river bench to accommodate those pedestrians rather than just bring it back up onto the highway. He said a crosswalk would be a lot less expensive. Town Planner Dickhoff said that this trail is part of the master trail plan and downtown master plan. It might be years and years off, but planning for it now as a long-term project makes sense. Town Manager Mitchem said this decision will pay off in the long term plan.

- VIII. PUBLIC COMMENT** – Mr. Mark Weiler said the council’s retreat was enjoyable to watch and the transparency was apparent. He is looking forward to a great future.
- IX. NEXT TOWN COUNCIL MEETING JUNE 19, 2014 AT 12:00PM**
- X. ADJOURNMENT** – Upon motion duly made, the meeting adjourned at 10:37pm.

Don Volger
Mayor