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**TOWN COUNCIL MEETING MINUTES  
TUESDAY, JUNE 7, 2011  
Town Hall Council Chambers  
5:00 P.M.**

- I. **CALL MEETING TO ORDER** – Mayor Aragon, Council Member Cotton, Council Member Holt, Council Member Lattin, Council Member Pierce, Council Member Volger
- II. **APPOINTMENT TO VACANT TOWN COUNCIL SEAT** – Council Member Jackson has moved out of the Town limits and his seat became vacant in May. The Town received one letter of interest from Mr. Robert “Bob” Hart, a local resident and business owner. Council Member Volger moved to approve the appointment of Mr. Robert Hart to the Town Council, Council Member Holt seconded, unanimously approved. The Town Clerk administered the oath of office to Mr. Hart who then took his seat on the Town Council.
- III. **APPROVAL of MEETING MINUTES FROM MAY 3 & 19, 2011** - The minutes were approved as read.
- IV. **LIQUOR LICENSE**
  1. **New Hotel and Restaurant Liquor License – Yearling & Bumblebee LLC dba DSP, 100 Country Center Drive, Ste C, Pagosa Springs**
  2. **New Hotel and Restaurant Liquor License – Haggard’s Black Dog LLC dba A Chivalrous Shark, 2151 Eagle Drive, Pagosa Springs** – Council Member Pierce moved to approve the new hotel and restaurant liquor licenses for Yearling & Bumblebee LLC dba DSP and Haggard’s Black Dog LLC dba A Chivalrous Shark, Council Member Lattin seconded, unanimously approved.
  3. **Liquor License Renewal – Junction Restaurant, 401 E Pagosa Street** – Council Member Pierce moved to approve the liquor license renewal for the Junction Restaurant, Council Member Holt seconded unanimously approved.
  4. **Special Events Liquor Permit – Pagosa Springs Chamber of Commerce Golden Retriever Roundup, June 25, 2011 at Town Park, Hermosa Street**
  5. **Special Events Liquor Permit – Pagosa Springs Chamber of Commerce Renaissance Festival July 15, 16, & 17, 2011 at Town Park, Hermosa Street** – Council Member Volger moved to approve the special events liquor permit for Pagosa Springs Chamber of Commerce, Golden Retriever Roundup June 25<sup>th</sup> and Renaissance Festival July 15, 16 & 17<sup>th</sup> at Town Park, Council Member Lattin seconded, unanimously approved.
- V. **NEW BUSINESS**
  1. **Resolution 2011-08, Appointing Planning Commission Members** –During the May 19<sup>th</sup> meeting, the council was to decide between two applicants, Mr. Cameron Parker and Mr. Ron Maez, who would sit in the regular and alternate seats for the planning commission. The discussion included the possibility of Mrs. Natalie Woodruff transferring to the alternate position allowing both of these applicants to sit in regular commission seat. The item was tabled until confirmation could be obtained. With the transfer of Mrs. Natalie Woodruff from a regular to an alternate seat, Resolution 2011-08 appoints Mr. Cameron Parker and Mr. Ron Maez as regular members for a four year term, and appoints Mrs. Natalie Woodruff to an alternate seat for one year. Council Member Lattin moved to approve resolution no 2011-08,

appointing Mr. Cameron Parker, as a regular member of the planning commission for a four (4) year term commencing on July 1, 2011 and concluding on July 1, 2015, and appointing Mr. Ron Maez as a regular member for a four (4) year term commencing on July 1, 2011 and concluding on July 1, 2015, and re-appointing Mrs. Natalie Woodruff from a regular member to an alternate member concluding on July 1, 2012, Council Member Holt seconded, unanimously approved.

2. **Ordinance No. 762, Extending the Moratorium on Medical Marijuana Licensing or Other Actions Deemed Appropriate By The Town Council** - With the recent deadline extension, till July 01, 2012, of House Bill 10-1284, the medical marijuana committee met on May 27, 2011 to discuss a recommendation for Town Council's consideration, concerning the town's Medical Marijuana businesses Moratorium which expires on July 01, 2011. Town Council approved the current Moratorium, Ordinance No. 756, on August 26, 2010. An Ordinance Suspending the Processing of Applications for Medical Marijuana Centers, Medical Marijuana Optional Premises Cultivation Operations and Medical Marijuana Infused Product Manufacturing Businesses until July 01, 2011. Given that the State has postponed determining the final specific regulations for medical marijuana businesses until July 01, 2012, the Medical Marijuana Committee has decided to recommend that Town Council extend the current medical marijuana moratorium until September 01, 2012. This will give staff and the Town Council ample time to consider the states regulations and how they may apply to the Town of Pagosa Springs, if Town Council decides to allow Medical Marijuana Businesses. Council Member Pierce would suggest the council consider a permanent moratorium rather than an extension. Council Member Holt read several articles that indicated the Federal Government is not going to back down on the federal laws and believes the State of Colorado is going to have to correct the problem they have caused. Council Member Holt moved to join the neighboring communities of Bayfield and Ignacio in not allowing medical marijuana centers, medical marijuana optional premises cultivation operations and medical marijuana infused product manufacturing businesses within town limits, Council Member Pierce seconded, Council Member Holt amended his motion to prohibit the operation, cultivation, manufacturing, or sale of marijuana products in the Town limits or the delivery of medical marijuana products from outside of Archuleta County and direct staff to prepare a resolution to be voted on at mid-month meeting, Council Member Pierce seconded, motion failed with four nay votes (Council Members Volger, Pierce, Lattin and Hart). Council Member Volger agreed with Council Member Holt and his desire to not allow in the community, but feels the moratorium is the best process at this time. Mayor Aragon opened this item for public comment. Council Member Hart moved to approve first reading of Ordinance No. 762, an ordinance suspending the processing of applications for medical marijuana centers, medical marijuana optional premises cultivation operations and medical marijuana infused product manufacturing businesses until September 1, 2012, Council Member Volger seconded, motion carried.
3. **Memorandum of Understanding (MOU) with the Colorado Mounted Rangers** - This MOU was initiated by the Colorado Mounted Rangers for volunteers at Town sponsored events. The Colorado Mounted Rangers work closely with law enforcement agencies by providing uniformed, trained personnel to provide non-law enforcement services for regional emergencies and disasters, and public and private community events. In the Town of Pagosa Springs, the Rangers assist the Police Department with traffic control during the Fourth of July Parade, Fireworks Display, and other town sponsored events. This MOU establishes that all services provided to the Town by the Rangers will be voluntary and that there is no obligation to compensate the Rangers for services or out of pocket expenses. Chief Rockensock says the Town's VAMP policy will coverage volunteers working for the town when necessary. Although Council Member Cotton agrees the Rangers do a great service to the town, he doesn't believe that indemnifying volunteers is something the Town should be doing. Town Manager Mitchem said the Town's insurance provider has agreed to the MOU and the coverage of the volunteers. Council Member Volger moved to authorize the Town Manager to execute the memorandum of understanding (MOU) between the Town of Pagosa Springs and the Colorado Mounted Rangers, Council Member Lattin seconded, motion carried with one nay (Council Member Cotton).
4. **Review of Joint Town/County Worksession:**

- a. **Lodgers and Sales Tax Auditing and Collection** – Ms. Jennifer Green, TTC Director, explained there is a joint effort with the Town and County to put out an RFP to look for vacation rentals and other lodging properties that may not have necessary information for collection of lodger’s taxes. Council Member Cotton has an issue with policing the community for tax collection. He believes this type of action becomes a police action. Council Member Pierce moved to have staff move forward with an RFP for education and compliance efforts of lodgers and sales tax collections and work with the County to contribute to the costs of the efforts, Council Member Hart seconded, motion carried with one nay (Council Member Cotton).
- b. **Town to Lakes Trail Update** – The Greenways Team, Inc. presented their final recommendations for the trail between downtown and uptown. The plans and estimated costs will be brought to the council at the mid-month meeting. Mr. James Dickhoff, Town Planner, has been working to use the funds originally set aside for the San Juan Alley sidewalk to be used to connect 8<sup>th</sup> street and 10<sup>th</sup> street along the highway. Council Member Lattin has concerns of moving the sidewalk along the highway for school age children.
- c. **Cityworks Program** – Pagosa Area Water and Sanitation District will be purchasing this program, Town Manager Mitchem will bring this to council at a later date.
- d. **Building & Planning Fees** – The County Commissioners are considering returning to their standard fees for building and planning rather than a discount as has been in effect.
- e. **Regional Tourism Act Grant Application** - The State of Colorado has \$50 million dollars allocated to increased tourism and sales tax revenue through this grant. Staff is moving forward with applying for this grant by combining all tourist amenities. Town Manager Mitchem believes if the Town were granted the funds, the tourists would stay longer and could double or potentially triple our sales tax and lodgers tax revenues. Town Manager Mitchem says even if the grant is not awarded, the town will have a plan for future tourism development. Council Member Pierce has concerns about the amount of staff time including Jennifer Green’s additional time on this project, as well as the completion of the grant proposal, environmental, and engineering. She is concerned about having time for sufficient public comment, and putting a restaurant on other amenities on Reservoir Hill. She feels the hill is an oasis in the middle of downtown and feels by putting some of these items on the hill would be a mistake. She would like to wait to apply for the next grant cycle. Council Member Volger said the reward would be amazing if received and staff time would be the only risk at this point. Council Member Hart believes this is an opportunity and fortunate to have Jennifer Green working on this project. Council Member Cotton agrees to give it a shot and let staff’s good judgment to decide how far to go. Mayor Aragon feels the Town should make an effort to compete for this grant. Mrs. Janet Santopietro asked if other local entities would be participating like the CDC, Town Manager Mitchem said the community will be involved. The estimated costs for moving forward at this time are unknown. Council Member Volger moved the Town Council direct staff to proceed with preparing a grant with the Regional Tourism Act, Council Member Hart seconded, motion carried with one nay (Council Member Pierce).

## VI. DEPARTMENT HEAD REPORTS

- 1. **Parks and Recreation Department Report** –This year’s youth baseball leagues include 170 participants, up from 2010 totals, as is youth tennis with 18 participants. The parks department is continuing routine maintenance for the town parks. Riverbend engineering has been working with Jim Miller to develop five more river features near the highway bridge and Yamaguchi park. The skate park RFP will be available for bids on June 9<sup>th</sup> through Archuleta County procurement officer Larry Walton. The Yamaguchi park restroom GOCO grant should be awarded mid-June and the Town has a very good chance of receiving the grant. Town Manager Mitchem briefed the council on an incident where a town staff

employee (Darren Lewis) jumped into the river to assist a youngster who was swept into the current.

2. **Community Center Report** – The community center is beginning summer kids programs including volleyball, dodge ball and art classes. Celebrate America is a free family event scheduled for June 30<sup>th</sup>. The capital improvement projects are almost completed and should be under budget.
3. **Planning Department Report** – The planning commission is working on consolidating the sign codes. The historic preservation board is considering amending the LUDC to allow an increase in size for sandwich board signs within the historic district. The town and County planning commissions are working together to have a similar sign code. A scope of work was received from Geothermal Management Company LLC, Jerry Hutterer. Town staff will be working on the 2011 Sidewalk Improvement Initiative Project with replacement set to begin after the 4<sup>th</sup> of July. Staff is working to extend the river walk across the town's property to the 6<sup>th</sup> street bend. Environmental and then engineering should be complete by the end of June. Town staff will apply for a state trails grant once the information is received.
4. **Town Tourism Committee Report** – Lodgers tax collections were up 3.03% in April 2011 as compared to April 2010. The visitors center traffic was down 3.43% in April, fulfillment requires saw a 63.59% increase. The top 5 states requesting information is Texas, Colorado, California, Florida and Illinois. The TTC marketing includes youtube, twitter, facebook and wildfire contests accounts. The Albuquerque sign board currently show events and is hoping to hear from the event organizers as to the success of the billboard.
5. **Town Manager Report** – The Office of Economic Development and International Trade's Tourism Office is accepting Regional Tourism Act grant applications through June 30, 2011. The Regional Tourism Act (RTA) establishes a program that gives local governments the opportunity to apply to the Colorado Economic Development Commission (EDC) for approval of a large scale Regional Tourism Projects. Amenities being considered for the grant is Reservoir Hill development, Trails, San Juan River build-out, multi-event center at the Archuleta County Fairgrounds, Geothermal Greenhouse completion, and Wayfinding signage plan. A \$25,000 proposal fee is required to participate in the competition. Pagosa Area Water and Sanitation District (PAWSD) has notified the town that it will no longer honor the long held policy of providing water needs to the Town owned property at no charge. The mayor has written a letter to PAWSD requesting dialog with this issue. Mayor Aragon appointed Council Members Holt and Cotton to serve on the PAWSD committee board. Council Member Holt believes there were Town water rights that were given to PAWSD in exchange for free water. Phil Starks had found a document that did in fact give the town free water, however this provision expired in 1998. The irrigation use of river water should not be affected. The Town has communication towers on Reservoir Hill and the Town receives payment for the use of the property, there are two PAWSD water tanks sitting on Reservoir Hill and Cemetery property, as well as a filling station on 1<sup>st</sup> street, which has not been assessed a fee for their use of Town property. Recently, the County had discovered their State requirement to share additional 1A funds with the town since its collections began in 2008. The estimated amount of 1A funds from 2008 to 2011 due the town is around \$270,000.

**VII. Next Town Council Meeting June 23, 2011 at 12noon**

**VIII. ADJOURNMENT** – Upon motion duly made, the meeting adjourned at 7:07pm

**Ross Aragón**  
**Mayor**