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**TOWN COUNCIL MEETING MINUTES
TUESDAY, JULY 1, 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 Schanzenbaker
- II. **PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE**
- III. **APPROVAL of MEETING MINUTES FROM JUNE 19, 2014** – Minutes were approved as read.
- IV. **PUBLIC COMMENT** – Ms. Shannon Weckman said that smartmeters are used to store data and surveillance by the NSA. She said that LPEA should allow people to keep their original meters. Mr. Gary Duncan has electro-magnetic sensitivity disease and can feel electro magnetism when he comes into Pagosa Springs. He would like the Town to install municipal fiber optic to all LPEA users for electric use. Ms. Sandy Nelson is concerned about her health and after having a smartmeter installed she asked to have her smartmeter removed and went back to analog meter. Ms. Sophia said that Kathy Justus freed the Town from fluoride in the water. She said the LPEA is installing meters throughout the Town where people recreate. Ms. Marcia Wean said the smart meters were hoisted upon her and she is disturbed by this going on. Mr. Mark Weiler said the joint town and county meeting was good to watch, he suggests the town and county have worksessions every two weeks and allow public comment. He said the Town should be processing at the Town Council's pace rather than at the BOCC's pace. Ms. Pat Rydz said the Town Council should not vote to puts the health of the citizens at stake.
- V. **LIQUOR LICENSE**
 1. **Liquor License Renewal – Pagosa Peak Partners LLC dba Higher Grounds Coffee at 189 Talisman Dr Suite A**
 2. **Liquor License Renewal – Shabri LLC dba Plaza Liquor at 511 San Juan Street**
 3. **Liquor License Renewal – Ramons Restaurant 56 Talisman Drive**
 4. **Liquor License Renewal – Dillon Companies Inc dba City Market at 165 Country Center Drive** – Council Member Alley recused himself from vote of the liquor license renewals. Council Member Bunning moved to approve the liquor license renewal for Pagosa Peak Partners LLC dba Higher Grounds Coffee, Shabri LLC dba Plaza Liquor, Ramons Restaurant, and Dillon Companies Inc dba City Market, Council Member Egan seconded, unanimously approved.
 5. **Special Events Liquor Permit – Pagosa Mountain Morning Rotary Club Wrestling Club Fundraiser at Town Park Athletic Field on July 12, 2014**
 6. **Special Events Liquor Permit – Pagosa Springs Chamber of Commerce Renaissance Festival at San Juan Motel on E Pagosa Street July 18, 19 & 20, 2014**
 7. **Special Events Liquor Permit – Friends of the Upper San Juan Cruise-A-Thong at Town Park July 19 & 20, 2014**
 8. **Special Events Liquor Permit – Pagosa Springs Athletic Booster Club Pirate Plunge at Yamaguchi Ballpark on July 26, 2014** – Council Member Lattin moved to approve the special events liquor permits for Pagosa Mountain Morning Rotary Club Wrestling Club Fundraiser July 12th, Friends of the Upper San Juan Cruise-A-Thong July 19 & 20, and Pagosa Springs Athletic Booster Club Pirate Plunge July 26, Council Member Bunning seconded, unanimously approved.
- VI. **DELEGATIONS**
 1. **Smartmeters – Jason Nichols and LPEA** - Mr. Jason Nichols said most of the board members

for the smartgrid group have a conflict of interest and financial interest in smart grid. He said the FBI will hack into the smartmeter system. He listed several counties and cities that have banned the smartmeters. He said the documentation for the AMI system and expenses have been removed from the LPEA website and he asked where the money went. He said the UN began this project and large governments are giving incentives for installing these meters. Mr. Dan Harms said that these smartmeters help to operate the electric grid more effectively. The readings that the LPEA technicians have put their meters at are the same frequency as AM, FM and television frequencies. He said radio frequency emissions have been around since the 1930. These smartmeters send frequency readings every 45 minutes and are much lower than the standard things we come across in our everyday lives. He said there is encryption on these meters and that LPEA has not received any stimulus funding. Mayor Volger said the council will give this item consideration but that any action will be reviewed by the town attorney. Council Member Schanzenbaker asked about opting out. Mr. Harms said the August LPEA board meeting should have information on opting out, he said that LPEA is happy to visit citizens and test their meters. Council Member Egan encouraged the public to opt out if they feel strongly against the meters.

VII. FIRE AWARENESS – Mr. Thad McKain addressed council and explained the BOCC said there is a fire ban effective Monday July 7th. The fireworks will be going forward with 30 fire fighters with 6 engines on scene.

VIII. NEW BUSINESS

1. **8th Street Paving and Striping** – The base level of 8th Street is below what was initially thought when surveying the 8th Street repaving project. The 20 year lifespan will not be accomplished if the pavement is just milled and repaved. A four inch layer over the current substructure would last approximately 5-10 years. The estimate is \$430,000 for pavement with the concrete intersection at Piedra Street. The preliminary reconstruction would include 14 inches cut out and repaving is estimated over \$900,000. If reconstruction is an option, then perhaps widening the street to allow for more parking or bike lanes could be an option. The current budget amount of \$430,000 could be used to reconstruct the section between Hwy 160 and Piedra Street intersection in 2014. Staff and the engineering firm would like to bring more information back to council at the July 17th meeting. Council Member Egan asked about the timing and what might be found when the road is dug up. Council Member Lattin asked about the current set backs. Town Planner, James Dickhoff, said some reconstruction could be done this year before school started, or detours discussed. The east side of the street is currently located along the property lines, the west side of the street has about 15-20 feet easement area. Council Member Lattin asked Public Works Director, Chris Gallegos, to comment on the bump outs on Lewis St, also geothermal and sanitation lines. Mr. Gallegos said the geothermal on the west side is 7 feet off the curb, and varies going further south on the road. Also, he said the bump outs on Lewis Street have hindered the snow plowing operations by the streets department. Mr. Tautges said the sewer shouldn't be affected by this project on 8th Street. Council Member Egan asked about grants for paving. Mr. Schulte said there is not a lot of funding for roads but they could look into it. Mr. Bill Hudson suggests the council look at a web page about bike lanes. The neighborhood meeting on Monday June 30th had two participants. The participants suggested having park lanes rather than bike lanes on both sides, and narrowing of the lanes. Mr. Don Fahrenkrug with Casa de los Arcos said there are 42 people needing parking and he said there are only 34 parking spaces. He said street parking for visitors, vendors, and caregivers are needed. Council Member Schanzenbaker suggests having at least three public input sessions should the council decide to move forward with reconstruction.
2. **Pagosa Springs Golf Course** – Northstar Bank of Colorado currently owns the Pagosa Springs Golf Course and is trying to sell the course after the owners forfeited the course to the bank. The bank is considering shutting down the course if they do not sell it. The golf course is a very important amenity to our community, locals and tourists. The bank is asking \$1.9 million for the property. Town Manager Schulte has been involved in municipal golf courses and said the prospectus does not give enough information for a potential buyer. He said this golf course is a big amenity to the town citizens and visitors but more research would be needed to gain the actual value of the course. Council Member Egan suggests talking with the bank about the asset. Council Member Lattin said she has heard from people who said the equipment and clubhouse need major repairs, and the restrictions in PLPOA do not facilitate improvements to this course. Council Member Alley said there are a lot of other items to focus on and the golf course is not a direction the town should be focused on. Council Member Schanzenbaker said the council could move forward with limited inspections and information gathering. Mr. John Ramburg said the auction never took place, he said the course is an asset, and that the city of Tucson handed their

course off to a professional company to handle the operations. Council Member Bunning suggests monitoring the situation, develop a contact with bank, and talk with PLPOA about stepping in, and perhaps a joint venture, but not have staff look deeper into this course at this time. Staff is directed to contact the bank representatives for more concrete information and not spend a lot of time on the issue.

3. **Resolution 2014-09, Sales Tax Initiative** - The Town of Pagosa Springs and the Archuleta Board of County Commissioners (BoCC) has recently been meeting to discuss the possibility of a sales tax increase. At the most recent joint meeting between the Town Council and the BoCC, held on June 24, 2014, there was general sentiment expressed that it would be most beneficial for the community if the Town and the County work together collaboratively regarding sales tax issues. It was reiterated that the current agreement to split the sales tax has well-served the community. This resolution represents a manifestation of the intent of the Town Council to work collaboratively and outlines specific items of interest for both entities. The resolution also assures the county that the town will not go off in obtaining a sales tax increase on its own and work with the county to propose a ballot question on the November ballot. Council Member Lattin does not agree with the waiting for two years. Mayor Volger said the two year commitment was an olive branch to the BOCC in saying the town will not hold a special election in order to obtain sales tax increase without the county involvement. Council Member Bunning agrees with putting a question on the November ballot asking the voters for support of a possible sales tax increase at a future election. This resolution does not restrict the voters from bringing an initiative to the town. Council Member Egan sees the point of the resolution and wished a handshake would be enough, but this resolution might be necessary. He would like to ask the county to participate in the agreement as well. Council Member Schanzenbaker agrees with Council Member Egan. Mayor Volger suggests addressing this at the July 8th joint town-county worksession and see about a joint agreement. Mr. Mark Weiler said the county is asking the town to be as dysfunctional as they are. He said there is a history with the county of bait and switch and not carrying through on promises. Council Member Egan said this resolution was initiated by the town and not the county. Mr. Bill Hudson said the town should talk with June Madrid about ballot language and legal issues. He said the recreation center election scared some people in the county and thinks this is a good idea for this resolution.
4. **Resolution 2014-10, Geothermal Utility Member Appointment** - The Town Council and the Board of County Commissioners have both approved moving forward with the idea of conducting exploratory drilling and seeking funding both internally and externally to ascertain the viability of geothermal resources in the Pagosa area. In addition, the Town Council and Board of County Commissioners created the Pagosa Area Geothermal Water and Power Authority (Authority) and composed an Agreement (Agreement) to further define this effort. The Agreement specifies the membership and composition of the governing Board of Directors for the Authority and the Town Council is allocated 3 members for the governing board. The agreement language approved by the BOCC is not the same as the approval made by the Council at the April 1st meeting. The motion to change the agreement to allow for compensation to the board of directors made by each party. Town Manager Schulte said that if the county agrees to pay the members, the payment might be made from the geothermal utility or from the Town General Fund. The BOCC appointed three commissioners to the authority board. Council Member Schanzenbaker thinks there should be three town council members on the board, and the utility authority should pay the directors. Mr. Jerry Smith said the commissioners get paid, he said the Pagosa Waters board will report to the Authority and suggests that be a staff member. He needs that appointed member to work closely with him on this project. Council Member Lattin moved to approve Resolution 2014-10, designating Council Member Schanzenbaker, Mayor Volger and Council Member Egan to represent the Town of Pagosa Springs on the Pagosa Area Geothermal Water and Power Authority Board of Directors, Council Member Alley seconded, unanimously approved.
5. **Town Manager Hiring Procedure** – The Town Council met to discuss the direction of finding a town manager. Council Member Egan volunteered to complete a write-up for the advertising for a town manager. Staff is directed to advertise in CML, ICMA, CCCMA, locally and regionally.

IX. OLD BUSINESS

1. **Ordinance 812, Second Reading, Lease/Purchase Agreement for Chamber Building** –  This ordinance approves the purchase of the chamber building located at 105 Hot Springs Blvd. The Town will provide a \$90,000 payment at the time of executing the lease purchase agreement, which will also be consider the first semi-annual rent payment. After such time, semi-annual rent

payments are due January 1st and July 1st of each year through 2029. Mr. Bill Hudson said he thinks the Town Council should do this. Council Member Schanzenbaker moved approve the second reading of Ordinance 812, an ordinance of the Town of Pagosa Springs, authorizing the execution and delivery by the Town of Pagosa Springs of a lease purchase agreement between the Town, as Lessee, and the Pagosa Springs Chamber of Commerce, as Lessor, for the purposes of financing the acquisition of the Visitor's Center Property; authorizing officials of the Town to take all actions necessary to carry out the transactions contemplated hereby and providing for related matters. Further providing direction to staff to bring a budget amendment to Town Council for the \$90,000 down payment expense prior by the end of the 2014 fiscal year, Council Member Egan seconded, unanimously approved.

2. **Lease Agreement with Chamber of Commerce** – The proposed agreement with the Chamber of Commerce to lease space at the visitor center for their offices was proposed at the June 19th meeting. The lease agreement is for a six month term with the opportunity to renew for an additional six months. Rent would be \$1,169.55 per month based on a rate of \$1.15 per square foot. The chamber will be responsible for 50% of the electric, gas and internet utilities, and 83% of the phone costs. The Town will be responsible for building and property maintenance, insurances, taxes, sewer and water. Termination of the agreement by the Chamber requires 14 day written notice, the Town can only terminate for cause during the initial term or renewal time, or holdover to a month-to-month then 30 days written notice to terminate. The Chamber will be required to provide insurance as to state limits. The Chamber has requested a six month lease term on a month-to-month basis, then two additional six month terms be permitted. Mr. Bill Hudson said the agreement keeps the price the same. Mr. Jerry Smith said the Chamber will able to get out of the lease with 14 day notice; the Town will be able to end the agreement at the end of two month terms. Council Member Egan move to approve the proposed lease agreement for the Chamber of Commerce to lease back 1,017 square feet of space in the Visitor Center building with the terms as described in such agreement, amending Section 2 of the agreement to allow the Chamber two additional 6 month terms, Council Member Alley seconded, unanimously approved.
3. **6th Street Pedestrian Bridge** - Town Council considered four different bridge styles/widths, with varying pricing. Given the reduction in GOCO funding, TC directed staff to order the same bridge style and width as our other Town Pedestrian Bridges. Staff initiated the bridge order with BIG R Bridge out of Greeley Colorado, the same manufacturer of the town's two existing pedestrian bridges, for the same style of bridge that the town has now. The committee for this project has considered the exterior look of the bridge and ramp structures and has a few exterior renderings to consider. The louckes ditch will need to be reconfigured a bit with a creek feature, and an eight foot ramp will be installed with concrete, with pillars would add \$75,000. Council Member Alley moved to approve option 2 with the same design style as existing Town Pedestrian Bridges, directing staff to confirm the bridge order with Big R Bridge and further direct staff to bring a 2014 capital budget amendment to Town Council at a future meeting for the amount of \$2,100, if needed. Additionally, direct staff to proceed with the ramp structure design A, without pillars, Council Member Lattin seconded, unanimously approved.

- X. **PUBLIC COMMENT** – Mayor Volger reminded the council of a retreat July 15th at 8am. He suggests the council meet with the TTC, Planning, and Historic Preservation Board on July 8th and 9th.
- XI. **NEXT TOWN COUNCIL MEETING JULY 17, 2014 AT 12:00PM**
- XII. **ADJOURNMENT** – Upon motion duly made, the meeting adjourned at 8:10pm.

Don Volger
Mayor