



PAGOSA AREA GEOTHERMAL WATER AND POWER AUTHORITY

REGULAR MONTHLY MEETING MINUTES

Monday, July 11, 2016 @ 5:00 p.m.

Town Hall

551 Hot Springs Blvd, Pagosa Springs, CO

- 1. Call To Order** – Chairman Clifford Lucero, Board Members Steve Wadley, Don Volger, John Egan, David Schanzenbaker
- 2. Approval of May 9th Minutes** – Board Member Wadley moved to approve the meeting minutes, Board Member Egan seconded, unanimously approved.
- 3. Pagosa Waters Manager's Update**
 - **Fairway Lease Agreement Status** – Mr. Jerry Smith gave an update on the Pagosa Waters board. He said there is still a well in play that would cost approximately \$850,000. He recommends the Town and County invest \$150,000 each along with Pagosa Verde \$75,000, Pagosa Waters \$50,000 and DOLA grant of \$425,000 combined for TG1 to develop a multi-acre greenhouse and other enterprises which would benefit the Town with jobs and sales tax and to repay the investment. He said the Levine's are interested in greenhouse development on their property with this well. He said the lease agreement with the Levine's has been abandoned. The

Levine's are open to additional testing and drilling if a plan can be submitted. The TG1 well is open for educational purpose if agreed upon by the Levine's. Mr. Smith said the 2" pipe may benefit the Levine's for direct use if the Levine's apply for the permit. If requested, the well may need to be closed costing approximately \$8,000 by Pagosa Waters. Mr. Smith asked the board to consider looking at other benefits the DOLA funds could be used for in the community, which might include infrastructure improvements to the existing heating system.

- 4. Decision Item: Discussion and possible direction to staff on possible dissolution of Pagosa Waters, LLC** – Chairman Lucero said he is in favor of geothermal utility but he would support dissolving Pagosa Waters as he is not comfortable giving more public monies to the project. Mr. Todd Starr explained the PAGWPA board can direct staff to come back to the board with a plan to dissolve Pagosa Waters, but that the Town, County and Pagosa Verde need to be involved in the dissolution. Mr. Smith said he would like to have public meeting regarding the possible next steps. Board Member Egan moved to direct staff to bring back to the board a dissolution plan for dissolving Pagosa Waters LLC, Board Member Wadley seconded, unanimously approved. Board Member Volger would like time to consider dissolution, Board Member Egan said the board owes it to the community to use their funds wisely. Board Member Schanzenbaker said at 2,500 feet is where you find the real information. He said it is a tough decision but he would like to exhaust all options before giving up. Board Member Wadley said it is difficult decision, but he is wary to add additional public funds. Chairman Lucero thanked Mr. Smith for all the good work done on the project and the lease.
- 5. Other Items of Mutual Interest** – Next meeting August 8 at County Administration offices.
- 6. Adjourn** – Upon motion duly made, the meeting adjourned 6:04pm.