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TOWN COUNCIL MEETING MINUTES THURSDAY, JULY 21, 2011 Town Hall Council Chambers 12:00 P.M.

- I. CALL MEETING TO ORDER** – Mayor Aragon, Council Member Cotton, Council Member Hart, Council Member Pierce, Council Member Volger

- II. LIQUOR LICENSE**
 - 1. New Hotel and Restaurant Liquor License – Em and Randolph Fehrenbacher dba Thai Chilie at 565 Village Drive Suite D, Pagosa Springs** – Council Member Volger moved to approve the new hotel and restaurant liquor license for Em and Randolph Fehrenbacher dba Thai Chilie, Council Member Pierce seconded, unanimously approved.
 - 2. Liquor License Renewal – Overlook Hot Springs Spa, 432 Pagosa Street** – Council Member Volger moved to approve the liquor license renewal for Overlook Hot Springs Spa, Council Member Pierce seconded, unanimously approved.
 - 3. Special Events Liquor Permit – Humane Society of Pagosa Springs, Auction for the Animals, August 26, 2011 at Ross Aragón Community Center**
 - 4. Special Events Liquor Permit – Fred Harman Art Museum, Musical Concert August 16, 2011 at 85 Harman Park Dr.** – Council Member Pierce moved to approve the special events liquor permit for Humane Society of Pagosa Springs and Fred Harman Art Museum, Council Member Volger seconded, unanimously approved.

- III. RECOGNITION**
 - 1. Dennis Ford Fireworks Event** - Mr. Dennis Ford has been in charge of the Pagosa Springs 4th of July fireworks show for the past seven years. He strives for customer service excellence and goes above and beyond the call to provide a memorable experience on the 4th of July. Mr. Ford spends weeks of preparation, including: selecting and ordering the fireworks necessary to produce a spectacular display; recruiting volunteers; coordinating with land owners, school, and fire department; ensuring that the fireworks crew receives the proper training; convening safety meetings; and soliciting donations
 - 2. Norm Vance Ambassador Efforts** - For over 25 years, Norm Vance has provided a service to the community as a Tourism Ambassador and perpetual volunteer, and is focused on the community. In 2011, the Town Tourism Committee launched a Tourism Ambassador program, shaped by Norm's volunteer efforts for more than 25 years. He has provided an invaluable service to area visitors for many years; the goal of the program is to continue his efforts by locating and training additional volunteers so that Tourism Ambassadors become a staple in Pagosa Springs for years to come.
 - 3. Christmas Lighting Donation: Mike Alley-LPEA & Darin Rome-IEBW Local 111 Unit 26A** - The La Plata Electric Association (LPEA) and the International Brotherhood of Electrical Workers (IBEW), Local 111 Unit 26A have a tradition of raising funds for the benefit of our community, including an LPEA Golf Tournament, which began in 2003. This popular event has raised more than \$20,000 for such programs as the Archuleta County Victim Assistance and the Hospice of Mercy. This year's tournament funds were dedicated for the benefit of the Pagosa Springs Christmas lights program, a total of \$2,800 was donated to the Town's fund. Mr. Mike Alley said this donation is just a start of future donations for upgrading the lights in town.

IV. NEW BUSINESS

1. Ross Aragón Community Center Capital Improvements Budget Amendment -

In November 2010, Council approved the expenditure of \$22,910 from Capital Reserves to purchase improvements for the Multi-Purpose Room at the Ross Aragón Community Center, however funds were not expended until 2011. In March 2011, council approved the expenditures be moved to the 2011 budget; however the amount requested was incorrect by \$6,400. Community Center Director, Cristin Robertson, completed the capital improvement project under budget saving over \$9,000. The cost of the improvements total \$34,392, split between the Town and the Coalition. Including the reduction in costs, the correct amended amount should be \$23,755 (\$6,400 annual appropriation plus \$17,355 for the MPR capital improvements). Council Member Pierce moved to approve the expenditure from the Capital Fund Reserves of \$6,400 for the Ross Aragón Community Center Multi-Purpose Room Improvements, Council Member Volger seconded, unanimously approved.

2. Reservoir Hill Research Field Trip Report - Members of the Reservoir Hill Task Force took a research trip July 18th – 20th to visit recreational amenities around the state, with visits to Durango, Ouray, Glenwood Springs, Breckenridge and Mt. Princeton Hot Springs. A group of 6 individuals traveled and tested out a variety of recreational amenities, including alpine slides, alpine coasters, zip lines, hot springs, water slides, mazes, scenic chair lifts and much more. The purpose of the trip was to gather much needed information for the Reservoir Hill Business Plan. Council Member Hart believes several of the amenities they visited would work well in Pagosa Springs on Reservoir Hill and they will use this research for the business plan proposal.

3. Irrigation Water Rights and Engineering/Construction of River Water Diversion at Centennial Park - The Pagosa Area Water and Sanitation District (PAWSD) Board of Directors decided change a 20 year policy of providing for the water needs of Town owned properties at no charge. The effective date of the policy change was June 1st. On July 12th, the PAWSD Board of Directors voted to defer the Town's 2011 payments until January 2012. In addition the Board indicated its willingness to transfer back to the Town the irrigation water rights approved for the Town's parks. The Board also requested the Town's approval of PAWSD's transfer of 7,000 AF of West Fork Reservoir storage right (once owned by the Town) to the San Juan Conservancy District. While the dialog between the Town and PAWSD has been underway, Town staff has been working with the Town's water attorney, Janice Sheftel, to draft an application for its own water right for irrigation of Reservoir Hill, Town parks, the geothermal greenhouse project and the geothermal heating system. Riverbend Engineering, LLC has been engaged to assist in the technical evaluation and development of initial cost estimates for conversion of the Centennial Park, greenhouse project and heating system to river water. Mr. Jim Miller explained the total amount of potable water from PAWSD would be considerably less if irrigation pumps were installed. He also explained \$40,000 of the \$80,000 costs are for the water rights for the geothermal heating system, the other \$40,000 is for the Centennial diversion of raw water irrigation. Council Member Cotton would rather find out more about the design of the diversion area before approving the \$80,000 expenditure. Town Manager Mitchem said staff will go to Attorney Sheftel to discuss the water rights of the diversion site for an all year round use for irrigation of Centennial Park, the geothermal greenhouse, and geothermal heating system. Council Member Pierce moved to approve the expenditure of \$10,000 from General Fund Reserves for water usage charges, and to instruct staff to contact Janice Sheftel, the Town's water attorney, regarding the water rights for the geothermal utility, and ask staff to continue research of the water diversion facility and research other options, Council Member Volger seconded, unanimously approved.

V. OLD BUSINESS

1. July Sales Tax Brief - In July, the Town of Pagosa Springs' sales tax revenue increased by +24.38% or +\$53,100 compared to July, 2010 (base on May retail sales). Year-to-date (January through July) sales tax revenue reflects an increase of +3.83% or +\$60,067. In calendar year 2010 sales tax revenue was down -3.56% (-\$109,201),

Copies of proposed Ordinances and Resolutions are available to the public from the Town Clerk

compared to 2009. In calendar year 2009 sales tax revenue was down -7.47% (-\$247,730), compared to 2008.

2. **Resolution 2011-09 GOCO Grant Agreement for Yamaguchi Park Restrooms** - In March, the Town applied for and received a GOCO grant for up to \$104,358, which will enable the construction of permanent restrooms at Yamaguchi Park. Resolution 2011-09 authorizes the expenditure of town funds necessary to meet the terms of the grant agreement with Great Outdoors Colorado for this project. This resolution also authorizes the mayor to sign the associated grant agreement. Completion of this project is tentatively scheduled for late fall. The matching funds needed to complete the project are specifically earmarked in the 2011 Town Budget, and Archuleta County has pledged an additional \$20,000. The total amount of funds to be contributed by the Town is estimated at \$62,400, which includes approximately \$11,000 already spent on design, engineering and environmental review, and in-kind contributions totaling \$7,200. Council Member Pierce moved to adopt Resolution 2011-09, a resolution supporting the agreement between the Town of Pagosa Springs and the State Board of the Great Outdoors Colorado for the Yamaguchi Park Restroom Project, Council Member Hart seconded, unanimously approved.

VI. DEPARTMENT HEAD REPORTS

1. **Parks and Recreation Department Report** – The adult softball leagues had 21 teams this season; soccer registration begins July 25th to begin in late August. Parks crews are working on Yamaguchi Park for upcoming events. The fishing is fun grant application submitted by Jim Miller was approved for up to \$85,000, these funds will be used for the maintenance of existing river features and implementation of additional features. The lowest bid for the skate park came in at \$115,000. This leaves a current deficit of \$8,000 to complete the design. Discussion has begun with the low bidder regarding reduction of the price.
2. **Community Center Report** – Kids volleyball and dodgeball has begun. Over 1600 participants have attended the free programs offered by the community center. There has been an increase in facility rentals in 2011 compared to 2010.
3. **Planning Department Report** – The CMAQ reimbursement funds for the street sweeper were received, bringing the total town expenditures for the new sweeper to \$33,013. The BOCC approved the \$15,000 for the geothermal resource assessment work and are working on the MOU. Staff has determined to use \$40,000 allocated by Council to address the sidewalks on Pagosa Street between 1st Street and 3rd Street. Curb and gutter replacement for this section is estimated at \$28,000 and sidewalk more than the \$12,000 remainder allocated. CDOT suggested applying for their enhancement grant for the curb and gutter. Staff continues to seek grants for the river walk extension across the former Watters property; however the flood zone route eliminates most grant sources. Davis Engineering is working on options for the trail. Council Member Volger said his number one priority is to have an amenity that the public can use that is safe, functional and useful to the public. He would like a walkway that doesn't have all the fluff, one with gravel, limited width, no signs, functional and cost effective. A grant submitted to the Governors Energy Office has made it to the second round in the funding process; this grant is for improvements to the geothermal heating district.
4. **Town Tourism Committee Report** – Lodgers tax for May was flat. The visitor center saw an increase in fulfillment requests for May but a decrease in traffic. Social media has seen an increase, Facebook is popular. Visiting press and media writers have visited the area and been given tours by the TTC for their articles.
5. **Town Manager Report** – The Pagosa Springs Community Development Corporation is recruiting for a permanent executive director, interviews should begin in the next week. This community survey resulted in the identification of five community goals, along with strategies, actions, expected outcomes (measurable results), primary partners, available resources, needed resources (issues and barriers), and timelines. This information was compiled into the “Bottom-Up” 2011 Archuleta County Economic Development Summary.

VII. APPROVAL OF JUNE FINANCIAL STATEMENT AND ACCOMPANYING PAYMENTS

– Council Member Volger moved to approve the June financial statement

and accompanying payments, Council Member Cotton seconded, Council Member Hart asked about the procedure of approving the expenditures prior to the expenditure, Town Manager Mitchem explained the expenditures stay within the approved annual budget or are presented to council if an expenditure should exceed the annually budgeted amount, unanimously approved.

VIII. NEXT TOWN COUNCIL MEETING AUGUST 2, 2011 AT 5:00PM

IX. ADJOURNMENT – Upon motion duly made, the meeting adjourned at 1:36pm

**Ross Aragón
Mayor**