



551 Hot Springs Boulevard
Post Office Box 1859
Pagosa Springs, CO 81147
Phone: 970.264.4151
Fax: 970.264.4634

**TOWN COUNCIL MEETING AGENDA
TUESDAY, AUGUST 2, 2016
Town Hall Council Chambers
551 Hot Springs Blvd
5:00 p.m.**

- I. **CALL MEETING TO ORDER**
- II. **PUBLIC COMMENT** – *Please sign in to make public comment*
- III. **CONSENT AGENDA**
 1. **Approval of the July 21, 2016 Meeting Minutes**
 2. **Liquor License**
 - a. **Liquor License Renewal – Café Colorado at 565 Village Drive**
 - b. **Liquor License Renewal – City Market #45 at 165 Country Center Drive**
 - c. **Liquor License Renewal – Overlook Mineral Springs Spa at 432 Pagosa Street**
 - d. **Liquor License Renewal – Kip’s Grill and Cantina at 127 Pagosa Street**
 - e. **Special Events Liquor Permit – Pagosa Rotary Community Assistance Fund for Search and Rescue Fundraiser at Wyndham Tent at 42 Pinon Causeway**
 3. **Pagosa Springs Medical Center Letter of Support**
- IV. **NEW BUSINESS**
 1. **CDC 2nd Quarter Update Report and Invoice**
 2. **Funding Approval for Expanded Overlook Design**
 3. **Bid Award for East Phase Trail Project**
 4. **Ordinance 846, Special Election for Downtown Development Authority Organization**
 5. **Resolution 2016-11, Support of CDOT TAP Grant Application and Letter of Approval**
 6. **Resolution 2016-12, Reimbursement Resolution (South 8th Street Project)**
 7. **Engagement Letter with Kutak Rock on 8th Street Financing**
- V. **OLD BUSINESS**
 1. **Review of Legal Services Proposals**
- VI. **PUBLIC COMMENT** – *Please sign in to make public comment*
- VII. **COUNCIL IDEAS AND COMMENTS**
- VIII. **NEXT TOWN COUNCIL MEETING AUGUST 18, 2016 AT 5:00 PM**
- IX. **ADJOURNMENT**

Don Volger



AGENDA DOCUMENTATION

LIQUOR LICENSES:III.2

PAGOSA SPRINGS TOWN COUNCIL

AUGUST 2, 2016

FROM: BILL ROCKENSOCK, POLICE CHIEF

PROJECT: LIQUOR LICENSE RENEWALS

ACTION: DISCUSSION AND POSSIBLE ACTION

BACKGROUND

Businesses granted liquor licenses by the State of Colorado and the Town of Pagosa Springs are required to renew their liquor license annually. The Town Council, as the Local Licensing Authority, has requested that the Police Department provide them with information on police contacts with these businesses in consideration of their renewal application.

Annually, the Police Department works with the Colorado Liquor Enforcement Division to conduct compliance checks on businesses within the Town of Pagosa Springs holding liquor licenses throughout the year, Officers do perform random checks/walk thru of businesses selling liquor in the town limits.

The vendors listed below have requested a renewal of their liquor license. Based upon a local records check, the Police Department has found the following:

Café Colorado – Since January 1, 2016, there were no documented liquor violations at the Café Colorado, located at 565 Village Dr.

City Market #45– Since January 1, 2016, there were no documented liquor violations at City Market #45, located at 165 Country Center Drive.

Overlook Mineral Springs Spa– Since January 1, 2016, there were no documented liquor violations at the Overlook Mineral Springs Spa, located at 432 Pagosa St.

Kip's Grill and Cantina – Since January 1, 2016, there were no documented liquor violations at Kip's Grill and Cantina, located at 127 Pagosa St.

Pagosa Rotary Club – With regard to a Special Events Liquor Permit for the Pagosa Rotary Club, there have been no documented liquor violations associated.

ATTACHMENT(S):

None

RECOMMENDATION

It is the recommendation of the Police Chief that the Town Council,

Consider the above information when determining approval of liquor license renewals.



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Post Office Box 1859
Pagosa Springs, CO 81147
Phone: 970.264.4151
Fax: 970.264.4634

July 27, 2016

La Plata Electric Association, Inc.
Attn: Jeannie Bennett
PO Box 2750
Durango, CO 81302

Dear Ms. Bennett:

I'm writing this letter to support the application from the Upper San Juan Health Service District (dba Pagosa Springs Medical Center) seeking partial funding for a canopy at the entrance of the new primary care building. I am the Mayor of the Town of Pagosa Springs and have followed the hospital's progress toward meeting the needs of our community.

Access to quality healthcare, both primary and specialist care, is fundamental to all healthy citizenry and the economic vitality of Pagosa Springs. The Pagosa Springs Medical Center has assessed the growing demand for more local healthcare services and wellness programs and is moving forward with an \$11.4 million primary care building in response to those needs. While the staff has done a wonderful job incorporating elements of the WELL building standards and other principles geared toward comfort into the interior design, one piece is missing on the exterior - a canopy. I believe the inclusion of a canopy will optimize the patient experience and provide additional comfort and protection - especially to the seriously ill, frail or elderly patients. I am hopeful support from LPEA will assist the medical center in reaching its fundraising goal to make the canopy a reality. Therefore, I am proud to support this proposal.

If you have any questions regarding my support, please don't hesitate to contact me at 970-264-4151.

Sincerely,

Don Volger, Mayor
Town of Pagosa Springs



AGENDA DOCUMENTATION

NEW BUSINESS: IV.1

PAGOSA SPRINGS TOWN COUNCIL
AUGUST 2, 2016

FROM: GREGORY J. SCHULTE, TOWN MANAGER

PROJECT: PAGOSA SPRINGS COMMUNITY DEVELOPMENT CORPORATION (CDC) UPDATE AND 2ND QUARTER INVOICE
ACTION: DISCUSSION AND POSSIBLE ACTION

PURPOSE/BACKGROUND

In 2015 the Town Council approved the sponsorship of the CDC in an amount not to exceed \$20,000. It was requested that the CDC come to the Council on a quarterly basis for progress reports and invoicing. The Town Council continued the support of the CDC in the 2016 budget under Economic Development Organizations for an amount not to exceed \$20,000. The invoices presented to the Town Council include all expenses for the quarter and are split with the County.

The invoice for the 2nd Quarter in the amount of \$6,835.70 is attached.

ATTACHMENTS:

- 2nd Quarter Invoice

FISCAL IMPACT

The Town Council approved budgeting \$20,000 in 2016 for participation in the CDC. The funding line item is: 10-77-525. The financial information is as follows:

- 1 st Quarter Invoice:	\$3,396.29
- 2 nd Quarter Invoice:	<u>6,835.70</u>
Total To Date:	\$10,231.99

Remaining Balance: \$9,768.01

RECOMMENDATION:

Possible motions for the Town Council to consider are:

1. "Move to ACCEPT the CDC 2nd Quarter report and APPROVE payment of the 2nd Quarter invoice in the amount of \$6,835.70."
2. "Move to DENY payment of the CDC 2nd Quarter invoice of \$6,835.70."
3. Direct staff otherwise.

Pagosa Springs Community Development Corporation

PO Box 1183

Pagosa Springs, CO 81147

Invoice

Date	Invoice #
7/11/2016	1019

Bill To:
Town of Pagosa Springs Attention: Greg Schulte PO Box 1859 Pagosa Springs, CO 81147

Due and payable upon receipt

DESCRIPTION	QUANTITY	Unit Price	AMOUNT
Pagosa Chamber - Contract Fee for March 2016 & Reimbursements	1		\$ 2,595.14
Pagosa Chamber - Contract Fee for April 2016 & Reimbursements	1		\$ 2,820.50
Pagosa Chamber - Contract Fee for May 2016 & Reimbursements	1		\$ 2,789.46
Pagosa Chamber - Contract Fee for June 2016 & Reimbursements	1		\$ 2,711.80
The Springs Resort - Room Rental for Annual Meeting	1		\$ 250.00
Alley House - Food for Annual Meeting	1		\$ 349.00
Advertising in SUN for Real Estate Forum	1		\$ 220.50
OTM: Lunch for Real Estate Forum	1		\$ 550.00
Reimbursement to M. Murri for Mt. Connect Conf 2015	1		\$ 500.00
Chamber Membership	1		\$ 85.00
WRB: Accounting fees for 2015 Tax preparation	1		\$ 800.00
		<i>Total expenses</i>	\$ 13,671.40
		TOWN TOTAL	\$ 6,835.70 *

*Total billed to Town from PSCDC for Second Quarter is \$ 6835.70.

The total billed to the Town of Pagosa Springs for the Second Quarter is HALF of the \$13,671.40.
If you would like detailed receipts for the above, please let us know.



AGENDA DOCUMENTATION

NEW BUSINESS: IV.2

PAGOSA SPRINGS TOWN COUNCIL
AUGUST 2ND, 2016

FROM: GREG SCHULTE, TOWN MANAGER

PROJECT: AUTHORIZE FUNDING FOR THE DESIGN OF THE SCENIC RIVER OVERLOOK ENHANCEMENT AND REPAIR
ACTION: DISCUSSION AND POSSIBLE ACTION

PURPOSE/BACKGROUND

In June 2012, the Tourism Board presented concepts to Town Council for enhancements to the Scenic River Overlook. The Wayfinding & Signage Subcommittee had worked with Courtney King in 2012 to create conceptual renderings for a permanent structure and enhancements to the deck area at the river overlook area. The renderings provide a multi-phased concept; the phases and concepts outlined in the renderings are stand-alone. The Wayfinding & Signage subcommittee prioritized other projects in recent years, given the total annual budget of \$50,000.

Recently, deterioration of the deck was noted by Parks staff. The Town Building official investigated and determined the decking needs to be repaired. During the August Tourism Board meeting, the Tourism Board discussed status of the deck and reviewed previous renderings. The group expressed desire to pursue a permanent structure, site enhancements and deck repair / replacement. Before designs can be developed for consideration, engineering and soil tests are needed to determine existing structure and options and estimated costs for redesign and enhancements. The Tourism Board voted to recommend that Town Council fund the necessary engineering and tests using the Town's portion of the 2016 Wayfinding match (\$25,000).

FISCAL IMPACT

The engineering and soil tests can be completed using the Town's approved 2016 Wayfinding & Signage match, allocated in capital funds. Construction and final project costs will be reviewed at a later time by Town Council.

ATTACHMENT(S)

- (1) Conceptual Site Renderings developed by Reynold's & Associates.

RECOMMENDATION

It is the Tourism Board's and Staff's recommendation that Town Council motion to approve:

Use of Town's 2016 capital funding to perform the necessary design work in order to secure a better cost estimate for possible Scenic River Overlook repairs and enhancements



EXISTING OVERLOOK PARKING AREA

SCALE: 1" = 50'-0" • 55 PARKING STALLS



REYNOLDS + ASSOCIATES

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**PROGRESS SET
NOT FOR CONST.**

OVERLOOK PARKING AREA STUDY
FOR
THE TOWN TOURISM COMMITTEE
400 BLOCK OF PAGOSA STREET
PAGOSA SPRINGS, CO 81147

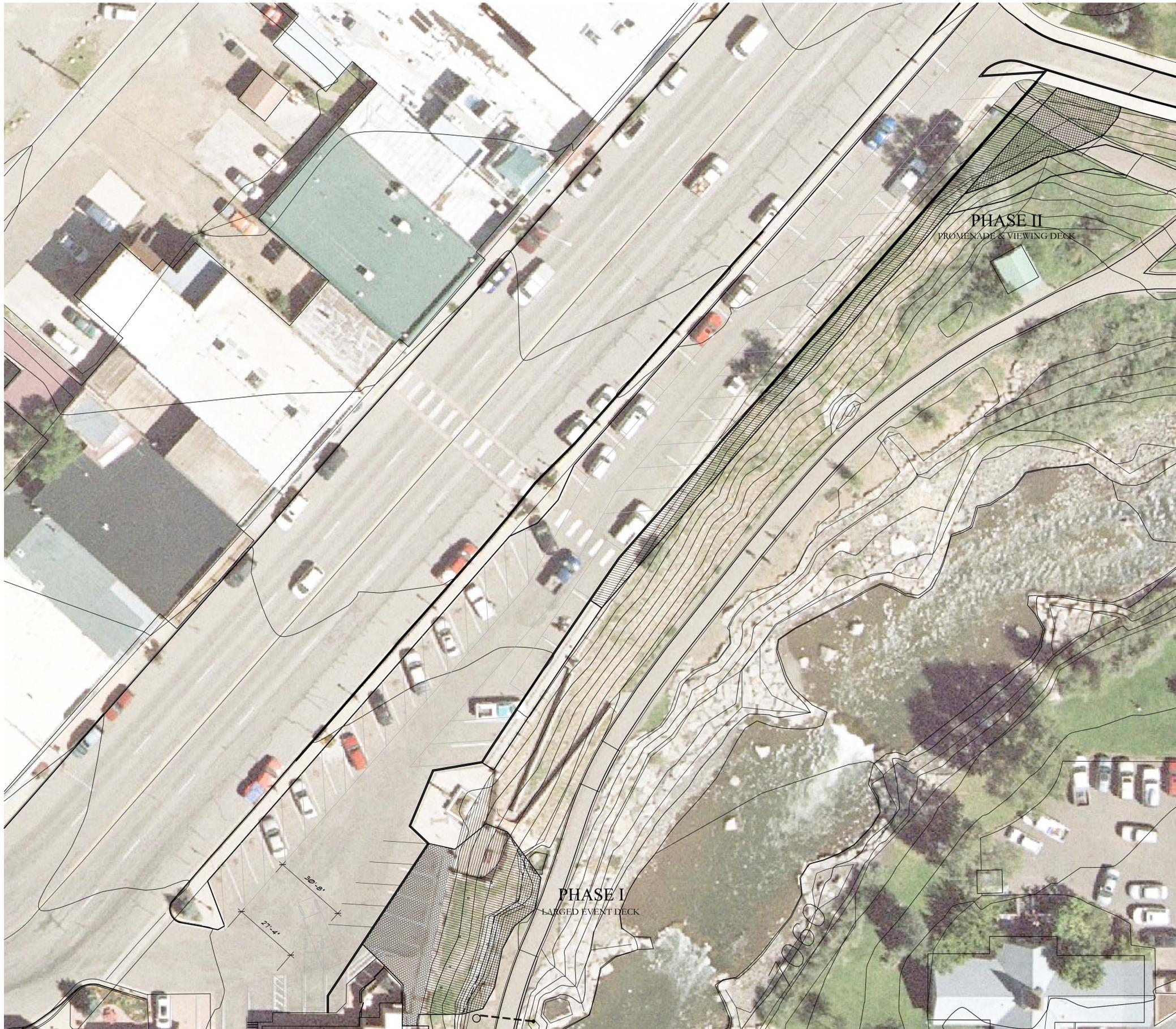
JOB NO.: 12009
DATE: 2012-01-31
DRAWN BY: CLK

ISSUE RECORD:

REVISIONS:

▲	
▲	
▲	
▲	

EX1.1
EXISTING
SITE PLAN



CONCEPTUAL OVERLOOK PLAN

SCALE: 1" = 25'-0"

KEY AND SITE INFORMATION

EXISTING DECK AREA	500 S.F.
PROPOSED PHASE I DECK AREA	
NEW RESURFACED PAVED AREA	1,300 S.F.
NEW SUPPORTED DECK AREA	1,380 S.F.
NEW CANTILEVERED AREA	500 S.F.
TOTAL:	3,180 S.F.
PROPOSED PHASE II DECK AREA	
NEW PROMENADE DECK AREA	2,265 S.F.
NEW VIEWING DECK AREA	1,010 S.F.
TOTAL:	3,275 S.F.

PARKING CALCULATIONS

EXISTING PARKING STALLS	55 STALLS
PROPOSED PHASE I PARKING STALLS	54 STALLS
PROPOSED PHASE II PARKING STALLS	64 STALLS
NEW PHASE II PAVED PARKING SURFACE	2,560 S.F.



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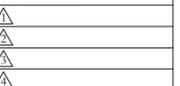
**PROGRESS SET
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OVERLOOK PARKING AREA STUDY
FOR
THE TOWN TOURISM COMMITTEE
400 BLOCK OF PAGOOSA STREET
PAGOOSA SPRINGS, CO 81147

JOB NO.: 12009
DATE: 2012-01-31
DRAWN BY: CLK

ISSUE RECORD:

REVISIONS:



SP1.1

SITE
PLAN



PHASE I ENLARGED SITE PLAN

SCALE: 1" = 10'-0"



SEATING PLAN OPTION

SCALE: 1" = 10'-0"

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OVERLOOK PARKING AREA STUDY
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400 BLOCK OF PAGOSA STREET
PAGOSA SPRINGS, CO 81147

JOB NO.: 12009
DATE: 2012-01-31
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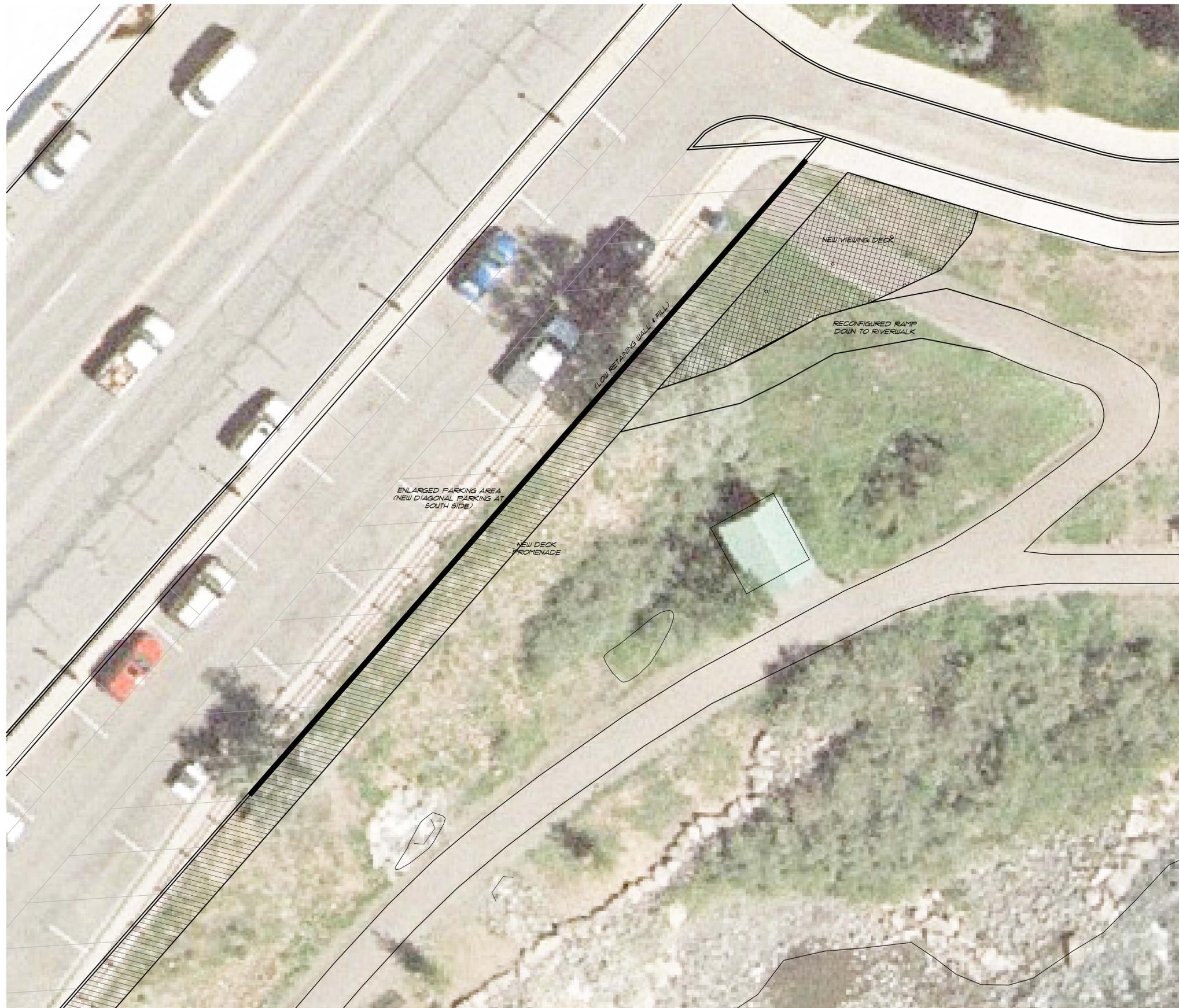
ISSUE RECORD:

REVISIONS:



SP1.2

PHASE I
SITE PLAN



PHASE II ENLARGED SITE PLAN

SCALE: 1" = 10'-0"

KEY AND SITE INFORMATION

EXISTING DECK AREA	500 S.F.
PROPOSED PHASE I DECK AREA	
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400 BLOCK OF PAGOSA STREET
PAGOSA SPRINGS, CO 81147

JOB NO.: 12009
DATE: 2012-01-31
DRAWN BY: CLK

ISSUE RECORD:

REVISIONS:



SP1.3

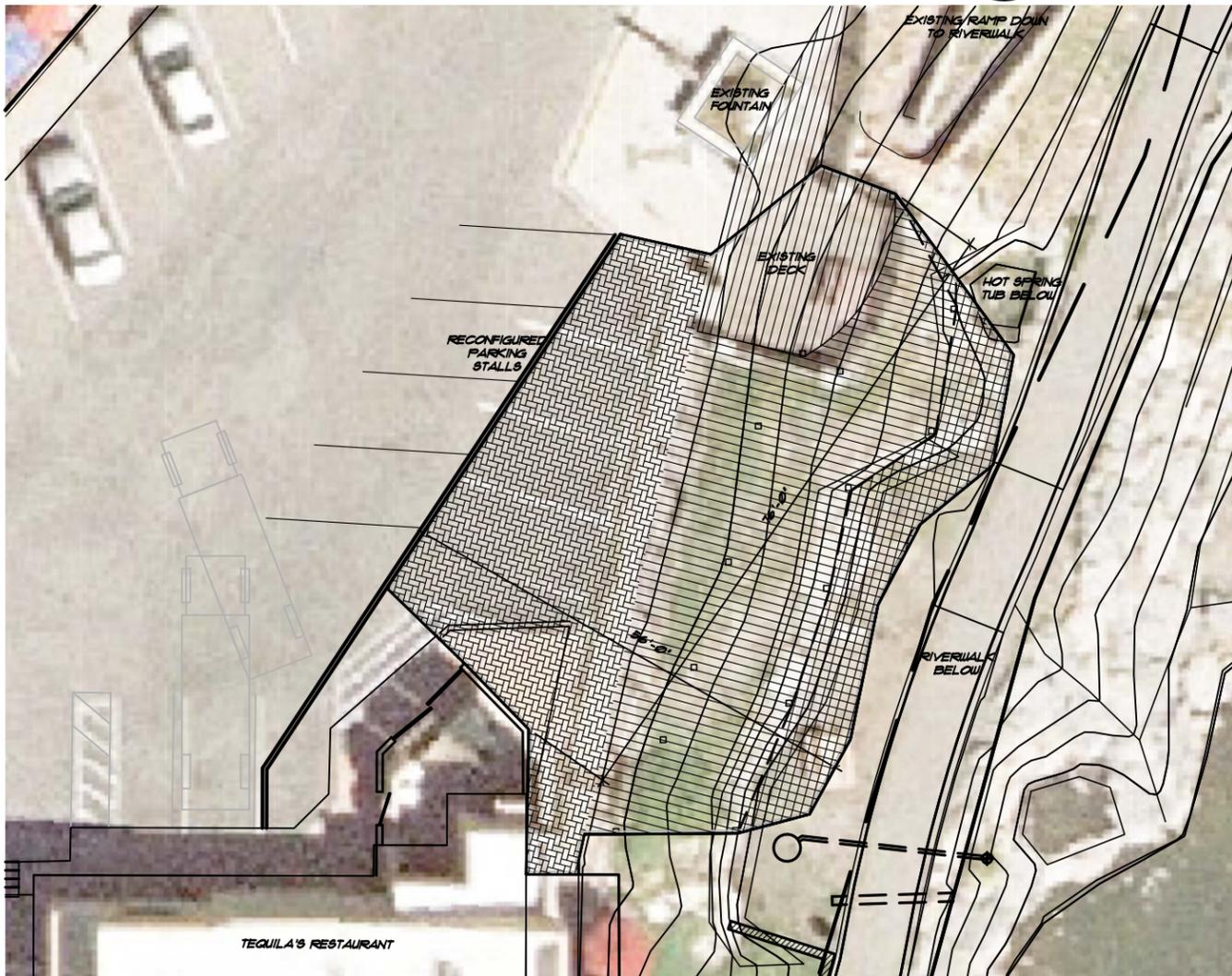
PHASE II
SITE PLAN



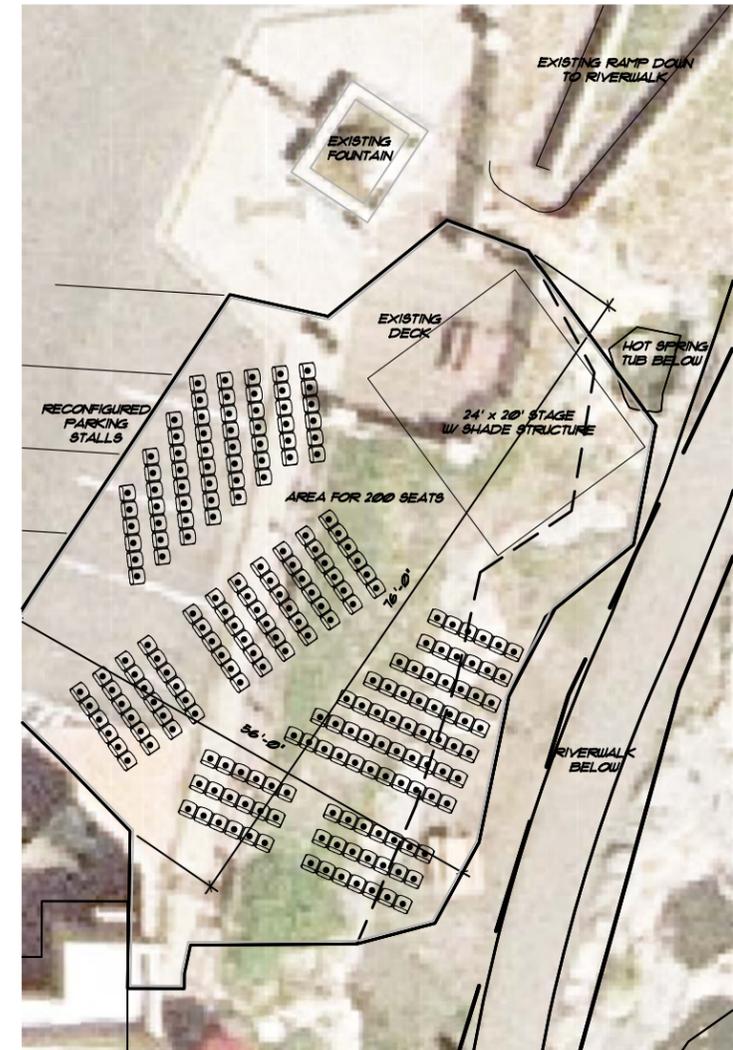
PLAZA SHADE STRUCTURE OPTIONS **B**
SCALE: NONE **SP1.2**



PLAZA DECK RENDERING **A**
SCALE: NONE **SP1.2**



PHASE I ENLARGED SITE PLAN- PLAZA DECK
SCALE: 1" = 20'-0"



SEATING PLAN OPTION

SCALE: 1" = 20'-0"

KEY AND SITE INFORMATION

EXISTING DECK AREA	500 S.F.
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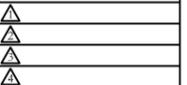
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OVERLOOK PARKING AREA STUDY
FOR
THE TOWN TOURISM COMMITTEE
PAGOSA STREET
PAGOSA SPRINGS, CO 81147

JOB NO.: 12009
DATE: 2012-02-23
DRAWN BY: CLK

ISSUE RECORD:

REVISIONS:



SP1.2

PHASE I
SITE PLAN



AGENDA DOCUMENTATION

NEW BUSINESS:IV.3

TOWN COUNCIL
AUGUST 2, 2016

FROM: JAMES DICKHOFF, PLANNING DIRECTOR
SCOTT LEWANDOWSKI, PROJECT MANAGER

PROJECT: East Trail Phase Construction Bids (Continued)
ACTION: DISCUSSION AND POSSIBLE DECISION

PURPOSE/BACKGROUND

The Town to Pagosa Lakes East Phase Trail project will continue a 10-foot-wide hard surfaced trail west of the Library Trail to 10th Street, and a sidewalk along the east side of 10th Street to the apex of the curve at the elementary School with a cross walk to the School grounds.

For bidding purposes, the East Phase Trail project is comprised of the following components:

Base Bid

- landscaping treatments,
- drainage, general preparation for the 10-foot wide trail surface
- 5 foot wide concrete sidewalk along 10th Street.

Alternative Bid Items

- **Alt 1** - Asphalt trail surface versus Concrete Trail surface.
- **Alt 2** - Preparation for trail lighting.

Staff and Davis Engineering recently went out to bid for this trail construction project and received bids back on July 19th. The Town received three bids from the following contractors: UCAL INC., Crossfire LLC and Anissa Construction.

The first table summarizes the individual bid categories:

Bid Category	Engineers Estimate	UCAL INC.	Crossfire LLC	Anissa Construction
Base Bid	\$163,642.00	\$230,021.70	\$273,717.95	\$382,492.46
Alternate 1 (Alt 1)	\$36,629.70	\$45,603.20	\$50,841.70	\$73,107.53
Alternate 2 (Alt 2)	\$50,415.40	\$70,540.40	\$67,570.10	\$99,480.98
Additive Items	\$23,067.30	\$13,568.80	\$10,366.00	\$11,414.35

Staff's recommends that the Council take into consideration two factors in determining the overall scope of work: the maintenance costs associated with the trail surface selection and costs associated with trail lighting infrastructure.

The second table examines the totals for the different scopes of work:

Scope of Work	Engineers Estimate	UCAL INC	Crossfire LLC	Anissa Construction
Base Bid + Alt 1	\$200,271.70	\$237,124.70	\$324,559.65	\$455,599.99
Base Bid + Alt 2	\$214,057.40	\$300,562.10	\$341,288.05	\$481,973.44
Base Bid + Alt 1 + Conduit	\$208,071.70	\$281,474.90	\$328,784.65	\$458,407.99
Base Bid + Alt 2 + Conduit	\$221,857.40	\$306,412.10	\$345,513.05	\$484,781.44
Base Bid + Alt 1 + All Additives	\$223,339.00	\$289,193.70	\$334,925.65	\$467,014.34
Base Bid + Alt 2 + All Additives	\$237,124.70	\$314,130.90	\$351,654.05	\$493,387.79

Based on the determination of scope of work, a comparative analysis of all three bids indicates that no matter the combination of the bid categories that are chosen UCAL INC remains the lowest bidder. To that end, staff recommends that Council award the contract of the east phase trail to UCAL INC. It must be noted that the Town will need to gain CDOT concurrence of the lowest bid in order to fully award the contract. Staff will work with representatives from Davis Engineering and CDOT to ensure a timely contract award.

ATTACHMENT(S)

Bid Abstract

FISCAL IMPACT

Over the last three years, the Town has spent \$99,288 for the overall trail design and the construction of library section of trail and an additional \$ 6,622 for easements and environmental work.

2016 Budget

CDOT Transportation Grant Award	\$261,069.00
Town Match	<u>\$53,931.00</u>
2016 Budget Total	\$315,000.00

Additional Costs

Davis Engineering (Design & Construction Management)	\$57,342.00
Optional Lighting install 2016 (7 lights at \$5,000 each)	<u>\$35,000.00</u>
Additional 2016 Funding	\$92,342.00

The Town can defer the cost of the lighting at this time, \$35,000, which significantly reduces the need for additional funding. In order to make up the difference between 2016 budgeted amount and the additional funding request needed to implement the project, Staff recommends the Town Council utilize capital reserves at this time.

The Total Project Cost which encompasses previous spending, design, construction management, future construction is \$513,252, to which the Town will be reimbursed from CDOT grant \$261,069.

RECOMMENDATION

Possible actions by Council include:

- 1) Move to approve the lowest and best bidder for the project for only the base bid construction.
- 2) Move to approve the lowest and best bidder for the project for the base bid and selected additive items.

And

- 1) If necessary allocate additional funding from capital reserves to complete the project.

**MULTI-USE TRAIL & SIDEWALK (8TH TO 10TH STREET)
TOWN OF PAGOSA SPRINGS, COLORADO**

Project No.: STE M016-025 Project Code: 18307

Bid Abstract
7/20/2016

Item	Description	Quantity	Unit	Engineer's Estimate (DES)		UCAL, Inc.		Crossfire, LLC		Anissa Construction	
				Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
201-00001	CLEARING & GRUBBING	0.85	ACRE	\$ 1,500.00	\$1,275.00	\$1,500.00	\$1,275.00	\$2,750.00	\$2,337.50	\$4,857.95	\$4,129.26
202-00220	REMOVAL OF ASPHALT MAT	932	S.Y.	\$ 3.00	\$2,796.00	\$3.00	\$2,796.00	\$4.00	\$3,728.00	\$14.05	\$13,094.60
202-00250	REMOVAL OF PAVEMENT MARKING	270	S.F.	\$ 1.00	\$270.00	\$6.00	\$1,620.00	\$4.50	\$1,215.00	\$8.44	\$2,278.80
202-00810	REMOVAL OF GROUND SIGN	6	EA.	\$ 50.00	\$300.00	\$75.00	\$450.00	\$50.00	\$300.00	\$182.51	\$1,095.06
203-00060	EMBANKMENT (CIP)	1,340	C.Y.	\$ 10.00	\$13,400.00	\$35.00	\$46,900.00	\$15.00	\$20,100.00	\$46.01	\$61,653.40
203-00100	MUCK EXCAVATION	310	C.Y.	\$ 15.00	\$4,650.00	\$5.00	\$1,550.00	\$21.00	\$6,510.00	\$46.12	\$14,297.20
203-01597	POT HOLLING	8	HR.	\$ 250.00	\$2,000.00	\$250.00	\$2,000.00	\$245.00	\$1,960.00	\$140.24	\$1,121.92
207-00205	TOPSOIL	220	C.Y.	\$ 25.00	\$5,500.00	\$42.00	\$9,240.00	\$56.80	\$12,496.00	\$95.26	\$20,957.20
207-00210	STOCKPILE TOPSOIL	60	C.Y.	\$ 8.00	\$480.00	\$15.00	\$900.00	\$5.00	\$300.00	\$62.86	\$3,771.60
208-00004	SILT BERM	420	L.F.	\$ 3.00	\$1,260.00	\$7.15	\$3,003.00	\$7.90	\$3,318.00	\$7.46	\$3,133.20
208-00008	EROSION LOG (9 INCH)	420	L.F.	\$ 4.00	\$1,680.00	\$3.75	\$1,575.00	\$5.25	\$2,205.00	\$3.14	\$1,318.80
208-00020	SILT FENCE	1,025	L.F.	\$ 3.00	\$3,075.00	\$3.00	\$3,075.00	\$2.50	\$2,562.50	\$2.16	\$2,214.00
208-00045	CONCRETE WASHOUT STRUCTURE	1	EA.	\$ 800.00	\$800.00	\$1,600.00	\$1,600.00	\$2,075.00	\$2,075.00	\$2,185.36	\$2,185.36
208-00070	VEHICLE TRACKING PAD	1	EA.	\$ 2,500.00	\$2,500.00	\$850.00	\$850.00	\$1,780.00	\$1,780.00	\$2,645.80	\$2,645.80
208-00103	REMOVAL AND DISPOSAL OF SEDIMENT (LABOR)	25	HR.	\$ 50.00	\$1,250.00	\$60.00	\$1,500.00	\$23.00	\$575.00	\$64.90	\$1,622.50
208-00206	EROSION CONTROL MANAGEMENT	26	DAYS	\$ 175.00	\$4,550.00	\$400.00	\$10,400.00	\$485.00	\$12,610.00	\$397.66	\$10,339.16
210-00810	RESET GROUND SIGN	3	EA.	\$ 250.00	\$750.00	\$300.00	\$900.00	\$225.00	\$675.00	\$206.50	\$619.50
212-00006	SEEDING (NATIVE)	0.52	ACRES	\$ 1,500.00	\$780.00	\$2,500.00	\$1,300.00	\$1,935.00	\$1,006.20	\$2,358.82	\$1,226.59
212-00032	SOIL CONDITIONING	0.52	ACRES	\$ 2,000.00	\$1,040.00	\$8,750.00	\$4,550.00	\$7,800.00	\$4,056.00	\$8,270.62	\$4,300.72
213-00003	MULCHING (WEED FREE)	0.46	ACRES	\$ 500.00	\$230.00	\$1,920.00	\$883.20	\$2,000.00	\$920.00	\$1,804.22	\$829.94
213-00061	MULCH TACKIFIER	92	LBS.	\$ 3.00	\$276.00	\$5.50	\$506.00	\$14.00	\$1,288.00	\$5.59	\$514.28
213-00705	LANDSCAPE BOULDER (SPECIAL)	5	EA.	\$ 250.00	\$1,250.00	\$300.00	\$1,500.00	\$109.00	\$545.00	\$1,235.65	\$6,178.25
214-00225	DECIDUOUS TREE (2.5 INCH CALIPER)	13	EA.	\$ 500.00	\$6,500.00	\$475.00	\$6,175.00	\$610.00	\$7,930.00	\$477.70	\$6,210.10
214-00320	DECIDUOUS SHRUB (2 GALLON)	36	EA.	\$ 30.00	\$1,080.00	\$40.00	\$1,440.00	\$80.00	\$2,880.00	\$163.39	\$5,882.04
214-00350	DECIDUOUS SHRUB (5 GALLON)	66	EA.	\$ 40.00	\$2,640.00	\$75.00	\$4,950.00	\$109.00	\$7,194.00	\$181.38	\$11,971.08
216-00042	SOIL RETENTION BLANKET (BIOD. S/C)	430	S.Y.	\$ 3.00	\$1,290.00	\$5.00	\$2,150.00	\$6.00	\$2,580.00	\$7.98	\$3,431.40
240-00000	WILDLIFE BIOLOGIST	15	HR.	\$ 100.00	\$1,500.00	\$100.00	\$1,500.00	\$87.00	\$1,305.00	\$127.44	\$1,911.60
250-00010	ENV. HEALTH/SAFETY MANAGEMENT PLAN	1	L.S.	\$ 2,500.00	\$2,500.00	\$3,175.00	\$3,175.00	\$2,200.00	\$2,200.00	\$1,416.00	\$1,416.00
304-02005	AGGREGATE BASE COURSE (CL. 2)	310	C.Y.	\$ 35.00	\$10,850.00	\$45.00	\$13,950.00	\$56.00	\$17,360.00	\$68.54	\$21,247.40
403-00720	HOT MIX ASPHALT (PATCHING) (ASPH.)	25	TONS	\$ 200.00	\$5,000.00	\$240.00	\$6,000.00	\$207.00	\$5,175.00	\$271.40	\$6,785.00
420-00112	GEOTEXTILE (DRAINAGE) (CLASS 1)	600	S.Y.	\$ 3.50	\$2,100.00	\$3.00	\$1,800.00	\$5.60	\$3,360.00	\$3.80	\$2,280.00
506-00010	RIPRAP (SPECIAL)	115	C.Y.	\$ 50.00	\$5,750.00	\$70.00	\$8,050.00	\$45.00	\$5,175.00	\$126.84	\$14,586.60
506-00206	RIPRAP (6 INCH)	9	C.Y.	\$ 60.00	\$540.00	\$55.00	\$495.00	\$83.00	\$747.00	\$131.84	\$1,186.56
506-01020	GEOGRID REINFORCEMENT	300	S.Y.	\$ 4.00	\$1,200.00	\$5.00	\$1,500.00	\$5.60	\$1,680.00	\$4.00	\$1,200.00
603-10120	12 INCH CORRUGATED STEEL PIPE	40	L.F.	\$ 45.00	\$1,800.00	\$40.00	\$1,600.00	\$55.50	\$2,220.00	\$167.91	\$6,716.40
603-30012	12 INCH STEEL END SECTION	2	EA.	\$ 200.00	\$400.00	\$200.00	\$400.00	\$126.00	\$252.00	\$121.89	\$243.78
607-11525	FENCE (PLASTIC)	200	L.F.	\$ 3.00	\$600.00	\$5.00	\$1,000.00	\$5.25	\$1,050.00	\$4.11	\$822.00
608-00005	CONCRETE SIDEWALK (SPECIAL)	133	S.Y.	\$ 50.00	\$6,650.00	\$74.00	\$9,842.00	\$55.50	\$7,381.50	\$121.44	\$16,151.52
608-00012	CONCRETE CURB RAMP (SPECIAL)	25	S.Y.	\$ 54.00	\$1,350.00	\$74.00	\$1,850.00	\$59.00	\$1,475.00	\$124.17	\$3,104.25
608-00026	CONCRETE BIKEWAY (6 INCH) (SPECIAL)	25	S.Y.	\$ 55.00	\$1,375.00	\$84.00	\$2,100.00	\$66.50	\$1,662.50	\$122.50	\$3,062.50
609-21900	CURB AND GUTTER TYPE 2 (18 INCH PAN) (SPECIAL)	380	L.F.	\$ 23.00	\$8,740.00	\$35.00	\$13,300.00	\$21.80	\$8,284.00	\$61.10	\$23,218.00
614-00011	SIGN PANEL (CLASS 1)	2.25	S.F.	\$ 20.00	\$45.00	\$30.00	\$67.50	\$31.00	\$69.75	\$35.40	\$79.65
614-01502	STEEL SIGN POST (2-IN. RD.) (PO. S SOCK.)	11	L.F.	\$ 20.00	\$220.00	\$24.00	\$264.00	\$25.00	\$275.00	\$35.40	\$389.40
625-00000	CONSTRUCTION SURVEYING	1	L.S.	\$ 15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$1,500.00	\$1,500.00	\$17,700.00	\$17,700.00
626-00000	MOBILIZATION	1	L.S.	\$ 5,000.00	\$5,000.00	\$12,000.00	\$12,000.00	\$40,000.00	\$40,000.00	\$31,860.00	\$31,860.00
626-01000	PUBLIC INFORMATION SERVICES	1	L.S.	\$ 1,000.00	\$1,000.00	\$1,800.00	\$1,800.00	\$900.00	\$900.00	\$2,832.00	\$2,832.00
627-00005	EPOXY PAVEMENT MARKING	4	GAL.	\$ 300.00	\$1,200.00	\$2,560.00	\$10,240.00	\$3,800.00	\$15,200.00	\$819.51	\$3,278.04
630-XXXXX	CONSTRUCTION ZONE TRAFFIC CONTROL	1	L.S.	\$ 10,000.00	\$10,000.00	\$11,000.00	\$11,000.00	\$53,300.00	\$53,300.00	\$35,400.00	\$35,400.00
F/A	FUEL COST ADJUSTMENT			\$ 1,700.00	\$1,700.00	-	-	-	-	-	-
F/A	ENVIRONMENTAL HEALTH/SAFETY MANAGEMENT			\$ 2,500.00	\$2,500.00	-	-	-	-	-	-
F/A	MINOR CONTRACT REVISIONS			\$ 15,000.00	\$15,000.00	-	-	-	-	-	-
Base Bid Subtotals					\$163,642.00		\$230,021.70		\$273,717.95		\$382,492.46

Notes: For Crossfire, LLC the extension amounts for two items did not match the quantity and unit pricing provided on the bid. For item 506-00010 Riprap (Special) the unit pricing was \$45.00/C.Y. creating an extension amount of \$5,175.00. For item 603-10120 12 Inch Corrugated Steel Pipe the unit pricing was \$55.50/L.F. creating an extension amount of \$2,220.00. The summation of extension amounts provided on their bid created a Base Bid Subtotal of \$273,637.95. The summation of unit pricing provided on their bid created a Base Bid Subtotal of \$273,717.95, a difference of (+)\$80.00 from the bid submitted.

For Anissa Construction the extension amounts indicated on their bids, to generate each bid subtotal, was based on unit pricing with more than two significant digits. Section II-Information to Bidders in the Contract Documents explains the unit price Bid controls and will be held to determine the total bid. This created a difference in the Base Bid Subtotal of (+)\$0.06, Alternate 1 Subtotal (+)\$11.38, Alternate 2 Subtotal (+)\$24.08, and Additive Item Subtotal (-)\$1,669.91 in the bid provided. Also, it appears the item 602-00000 Reinforcing Steel extension amount was not included in the summation of the Additive Items Subtotal bid provided.

**MULTI-USE TRAIL & SIDEWALK (8TH TO 10TH STREET)
TOWN OF PAGOSA SPRINGS, COLORADO**

Project No.: STE M016-025 Project Code: 18307

Bid Abstract
7/20/2016

		Engineer's Estimate (DES)		UCAL, Inc.		Crossfire, LLC		Anissa Construction			
ALTERNATE 1 - CONCRETE AND ASPHALT TRAIL											
Item	Description	Quantity	Unit	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
304-06007	AGGREGATE BASE COURSE (CL. 6)	343	C.Y.	\$ 40.00	\$13,720.00	\$ 45.00	\$15,435.00	\$ 43.00	\$14,749.00	\$ 63.82	\$21,890.26
602-00000	REINFORCING STEEL	2,983	LBS.	\$ 0.90	\$2,684.70	\$ 0.40	\$1,193.20	\$ 1.90	\$5,667.70	\$ 3.69	\$11,007.27
608-00040	CONCRETE BIKEWAY (SPECIAL)	175	S.Y.	\$ 45.00	\$7,875.00	\$ 76.00	\$13,300.00	\$ 68.00	\$11,900.00	\$ 104.86	\$18,350.50
608-01500	BITUMINOUS BIKEWAY	95	TONS	\$ 130.00	\$12,350.00	\$ 165.00	\$15,675.00	\$ 195.00	\$18,525.00	\$ 230.10	\$21,859.50
Alternate 1 Subtotals					\$36,629.70		\$45,603.20		\$50,841.70		\$73,107.53

ALTERNATE 2 - CONCRETE TRAIL											
Item	Description	Quantity	Unit	Unit Price	Extension						
304-06007	AGGREGATE BASE COURSE (CL. 6)	322	C.Y.	\$ 40.00	\$12,880.00	\$ 45.00	\$14,490.00	\$ 43.00	\$13,846.00	\$ 5.19	\$1,671.18
602-00000	REINFORCING STEEL	6,556	LBS.	\$ 0.90	\$5,900.40	\$ 0.40	\$2,622.40	\$ 1.60	\$10,489.60	\$ 3.69	\$24,191.64
608-00040	CONCRETE BIKEWAY (SPECIAL)	703	S.Y.	\$ 45.00	\$31,635.00	\$ 76.00	\$53,428.00	\$ 61.50	\$43,234.50	\$ 104.72	\$73,618.16
Alternate 2 Subtotals					\$50,415.40		\$70,540.40		\$67,570.10		\$99,480.98

ADDITIVE ITEMS - PREPARATION FOR TRAIL LIGHTING											
Item	Description	Quantity	Unit	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
602-00000	REINFORCING STEEL	297	LBS.	\$ 0.90	\$267.30	\$ 0.40	\$118.80	\$ 4.00	\$1,188.00	\$ 5.62	\$1,669.14
613-00200	2 INCH ELECTRICAL CONDUIT	650	L.F.	\$ 12.00	\$7,800.00	\$ 9.00	\$5,850.00	\$ 6.50	\$4,225.00	\$ 4.32	\$2,808.00
613-40012	LIGHT STD. FOUNDATION (SPECIAL)	7	EA.	\$ 2,000.00	\$14,000.00	\$ 1,000.00	\$7,000.00	\$ 615.00	\$4,305.00	\$ 896.63	\$6,276.41
625-00001	CONSTRUCTION SURVEYING	4	HR.	\$ 250.00	\$1,000.00	\$ 150.00	\$600.00	\$ 162.00	\$648.00	\$ 165.20	\$660.80
Additive Items Subtotals					\$23,067.30		\$13,568.80		\$10,366.00		\$11,414.35

BASE, ALTERNATES & ADDITIVE BIDS SUMMARY									
		Engineer's Estimate (DES)		UCAL, Inc.		Crossfire, LLC		Anissa Construction	
BASE BID + ALTERNATE 1 TOTAL			\$200,271.70		\$275,624.90		\$324,559.65		\$455,599.99
BASE BID + ALTERNATE 2 TOTAL			\$214,057.40		\$300,562.10		\$341,288.05		\$481,973.44
BASE BID + ALTERNATE 1 + ITEM 613-00200			\$208,071.70		\$281,474.90		\$328,784.65		\$458,407.99
BASE BID + ALTERNATE 2 + ITEM 613-00200			\$221,857.40		\$306,412.10		\$345,513.05		\$484,781.44
BASE BID + ALTERNATE 1 + ALL ADDITIVE ITEMS TOTAL			\$223,339.00		\$289,193.70		\$334,925.65		\$467,014.34
BASE BID + ALTERNATE 2 + ALL ADDITIVE ITEMS TOTAL			\$237,124.70		\$314,130.90		\$351,654.05		\$493,387.79

Notes:

For Crossfire, LLC the extension amounts for two items did not match the quantity and unit pricing provided on the bid. For item 506-00010 Riprap (Special) the unit pricing was \$45.00/C.Y. creating an extension amount of \$5,175.00. For item 603-10120 12 Inch Corrugated Steel Pipe the unit pricing was \$55.50/L.F. creating an extension amount of \$2,220.00. The summation of extension amounts provided on their bid created a Base Bid Subtotal of \$273,637.95. The summation of unit pricing provided on their bid created a Base Bid Subtotal of \$273,717.95, a difference of (+)\$80.00 from the bid received.

For Anissa Construction the extension amounts indicated on their bids, to generate each bid subtotal, was based on unit pricing with more than two significant digits. Section II-Information to Bidders in the Contract Documents explains the unit price Bid controls and will be held to determine the total bid. This created a difference in the Base Bid Subtotal of (+)\$0.06, Alternate 1 Subtotal of (+)\$11.38, Alternate 2 Subtotal of (+)\$24.08, and Additive Item Subtotal of (-)\$1,669.61 in the bid provided. Also, it appears the item 602-00000 Reinforcing Steel extension amount was not included in the summation of the Additive Items Subtotal bid provided.



AGENDA DOCUMENTATION

NEW BUSINESS: IV.4

PAGOSA SPRINGS TOWN COUNCIL

AUGUST 2, 2016

FROM: GREGORY J. SCHULTE, TOWN MANAGER

PROJECT: FIRST READING OF ORDINANCE 846, SPECIAL ELECTION FOR DOWNTOWN DEVELOPMENT AUTHORITY ORGANIZATION

ACTION: DISCUSSION AND POSSIBLE ACTION

PURPOSE / BACKGROUND:

At the July 21st 2016 meeting, the Town Council voted 4-2 to direct staff to bring forth an Ordinance for Council consideration to set in motion a Special Election for a possible Downtown Development Authority. Much of the report below is background information from the July 21st meeting. New or revised information is presented in bolded italics.

Many municipalities are interested in taking those steps they can to help revitalize their downtown core. To further that effort, many municipalities partner with Downtown Colorado, Inc. (DCI) to perform assessments. In partnership with a group known as the Downtown Task Force, the Town of Pagosa Springs allocated \$10,000 to hire DCI to perform the assessment with a focus of exploring the possibility of forming a Downtown Development Authority (DDA). This effort began in 2012 and was completed in 2014.

As is the case across the state, many times municipalities and their partner groups have difficulty in executing on all of the recommendations that come as a result of the DCI assessments. Ken Charles, Regional Manager for DoLA, has suggested that DoLA may be interested in awarding an administrative grant to a group of communities that partner to hire either a consultant or part-time help to assist in the execution of their respective DCI assessments.

Pagosa Springs was successful in securing a grant from DOLA hire a consultant to act as a "shepherd" for the downtown business community to ascertain whether a Downtown Development Authority (DDA) or Business Improvement District (BID) would be a viable initiative. Jeremy Nelson of Regeneration Development was selected as the consultant and has been busy working to assist the group in this review of different options and researching data.

After several months of research and discussion, the general belief is that a DDA would most likely be the best vehicle for the business community to take direct steps to improve the downtown.

The purpose of the meeting today is for the Town Council to consider the First Reading of Ordinance 846, at the request from the DTF and pursuant to the action taken by Council on July 21st, to place a series of questions on the ballot for a Special Election to be conducted by the Town. There will be three ballot questions. The questions essentially are:

- 1. Shall a DDA be organized?*
- 2. Shall property taxes be raised by 5 mills in the specified DDA district?*
- 3. Shall the DDA be authorized to retain sales tax?*

FISCAL IMPACT

The fiscal impact can be assessed in at least two ways:

1. There is a cost of conducting the election and the following are costs incurred by the Town for recent elections:

2012 \$2,500 - At large, charter amendments (polling place election)

2013 \$1,615 - Special for Reservoir Hill (polling place election)

2014 \$3,705 - District seats, Rec Center, Council Compensation, Muni Court (Mail ballot)
 2016 \$2,150 - At large and broadband (Mail ballot)

All of the election costs outlined above include printing, postage, judges, and publications. In addition, all the above elections involved approximately 900 ballots. The estimated number of ballots for this election is 250. At present, the Clerk’s Office has \$1,850 left in the 2016 election line item.

- The second aspect of the financial impact is the lost incremental sales tax that would be at the Town Council’s discretion instead of the DDA. Absent the DDA, any incremental sales tax realized in the defined DDA boundary area would normally come to the Town for allocation for spending.

Since the July 21st meeting, there has been further refinement of the revenue calculations potentially generated by the property and sales tax TIF. The revenue is presented within a range depending on the assumptions used. The revenue information is as follows:

PROPERTY TAX TIF

(All in \$ millions)

<u>Original Projections</u>	<u>1%</u>	<u>3%</u>	<u>5%</u>	<u>Revised Projections</u>	<u>1%</u>	<u>3%</u>	<u>5%</u>
75% @ 30 years	0.0	0.0	0.0	75% @ 30 years	2.6	9.4	19.8
100% @ 30 years	0.0	0.0	0.0	100% @ 30 years	3.4	12.6	26.3

SALES TAX TIF

(All in \$ millions)

<u>Original Projections</u>	<u>5%</u>	<u>7.5%</u>	<u>10%</u>	<u>Revised Projections</u>	<u>5%</u>	<u>7.5%</u>	<u>10%</u>
75% @ 30 years	0.0	0.0	0.0	75% @ 30 years	5.1	7.6	10.2
100% @ 30 years	0.0	0.0	0.0	100% @ 30 years	6.8	10.2	13.5

2015 TOWN COUNCIL GOALS & OBJECTIVES

Included in the Town Council’s adopted Goals & Objectives is Goal #2 of “Recognizing and valuing downtown as the community’s heart.” Objective 2.3 within that goal is “Help to Re-vitalize and Expand the Downtown Commercial Area.” Finally, a specific action item within Objective 2.3 is to “Encourage a Downtown Development Authority.” This proposed project directly promotes those goals and objectives.

ATTACHMENTS

- Exhibit A: Legal Memorandum from Collins Cockrel & Cole on DDAs
- Exhibit B: Election Timeline
- Exhibit C: Ordinance 846 - Setting the Election and Ballot Questions
- Exhibit D: PowerPoint Presentation from DTF

RECOMMENDATIONS

Possible actions by the Town Council include:

- 1) **"Move to APPROVE the First Reading of Ordinance 846 scheduling a Special Election for a Downtown Development Authority."**
- 2) **"Move to NOT approve Ordinance 846 scheduling a Special Election for a Downtown Development Authority."**
- 3) **Direct staff**

TOWN OF PAGOSA SPRINGS, COLORADO

**ORDINANCE NO. 846
(SERIES 2016)**

**AN ORDINANCE OF THE TOWN OF PAGOSA SPRINGS
CALLING A SPECIAL MUNICIPAL ELECTION OF THE TOWN
OF PAGOSA SPRINGS ON NOVEMBER 8, 2016 TO SUBMIT TO
THE QUALIFIED ELECTORS OF A PROPOSED PAGOSA
SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY (DDA) AT
SUCH ELECTION BALLOT TITLES CONCERNING THE
FORMATION OF THE DDA, AUTHORIZATION OF DDA DEBT,
IMPOSITION OF A MILL LEVY ON PROPERTIES WITHIN THE
DDA, AND EXEMPTION OF THE DDA FROM CONSTITUTIONAL
REVENUE AND SPENDING RESTRICTIONS ALL IN
ACCORDANCE WITH APPLICABLE CONSTITUTIONAL, HOME
RULE CHARTER AND STATUTORY PROVISIONS**

WHEREAS, the Town of Pagosa Springs (“Town”) is a home rule municipality duly organized and existing under Article XX of the Colorado Constitution and the Pagosa Springs Home Rule Charter of 2003, as amended on April 3, 2012, April 23 2013, and April 22, 2014; and

WHEREAS, Sections 5.6 and 5.7 of the Home Rule Charter provide that the Council may submit any measure to a vote of the registered electors of the Town by ordinance; and

WHEREAS, pursuant to its Home Rule Charter, home rule powers, and Part 8, Article 25, Title 31 of the Colorado Revised Statutes (“DDA Statutes”), the Town is authorized to establish a downtown development authority to provide for the development and redevelopment of the Town’s downtown; and

WHEREAS, the Town Council hereby finds and determines that establishing a downtown development authority is necessary to develop and redevelop the Town’s central business district and will serve a public use; will promote the health, safety, prosperity, security, and general welfare of the inhabitants thereof and of the people of the State of Colorado; will halt or prevent deterioration of property values or structures within the Town’s central business district, will halt or prevent the growth of blighted areas within the central business district; and will assist the Town in the development and redevelopment of the central business district and in the overall planning to restore or provide for the continuance of the health thereof; and will be of especial benefit to the property within the downtown development authority; and

WHEREAS, the Town Council has determined that it is appropriate and necessary to the function and operation of the Town to refer to the voters at a special election on November 8, 2016 certain questions concerning the formation of a Pagosa Springs Downtown Development Authority and related DDA fiscal and financial issue.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF PAGOSA SPRINGS, COLORADO, as follows:

Section 1. Incorporation of Recital. The above recitals are incorporated by reference into this Ordinance as if ordained in full, and such recitals constitute findings of the Town Council in support of this ordinance.

Section 2. Establishment of Central Business District and Downtown. The area within the boundaries of the proposed Pagosa Springs Downtown Development Authority as described in the ballot title stated in Section 4.A. below and as depicted on Exhibit A to this Ordinance, is and traditionally has been the location of the principal business, commercial, financial, service, and government center of the Town of Pagosa Springs, and is and has been zoned and used accordingly. Such area is established as being within the “central business district” and “downtown” area of the Town of Pagosa Springs as such terms are used and defined by the DDA Statutes.

Section 3. Election Call. A special election of qualified electors of the proposed Pagosa Springs Downtown Development Authority shall be conducted as a mail ballot election on November 8, 2016 for the purposes set forth in this ordinance. The election shall be conducted pursuant to the authority and requirements of the Home Rule Charter, the DDA Statutes, the Municipal Election Code, and Article X, Section 20 of the Colorado Constitution (“TABOR”).

Section 4. Questions Submitted. At the November 8, 2016 special election, there shall be submitted to the qualified electors of the proposed Pagosa Springs Downtown Development Authority the following ballot titles:

- A. SHALL THE PAGOSA SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY BE ORGANIZED PURSUANT TO PART 8, ARTICLE 25, TITLE 31, COLORADO REVISED STATUTES, TO EXERCISE ALL POWERS AUTHORIZED THEREIN WITHIN THE BOUNDARIES OF THE AREA DESCRIBED AS FOLLOWS:

[Need to add legal description] AS DEPICTED ON THE MAP ATTACHED AS EXHIBIT A TO TOWN OF PAGOSA SPRINGS ORDINANCE 846, SERIES 2016.

___ YES

___ NO

- B.** SHALL PAGOSA SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY TAXES BE INCREASED \$55,940 ANNUALLY, OR BY SUCH AMOUNT AS MAY BE RAISED BY AN AD VALOREM PROPERTY TAX RATE OF 5.00 MILLS, EXCLUSIVE OF REFUNDS, ABATEMENTS OR DEBT SERVICE, FOR THE PURPOSES SET FORTH IN SECTION 31-25-807, C.R.S., NONDEBT FUNDED EXPENDITURES ALLOWED UNDER SECTION 31-25-808(1)(A) AND (1)(B), C.R.S., AND BUDGETED OPERATIONS OF THE AUTHORITY, AS AUTHORIZED BY SECTION 31-25-817, C.R.S.; WHICH TOTAL RATE SHALL BE SET ANNUALLY AND MAY FLUCTUATE FROM YEAR TO YEAR, UP OR DOWN, WITHOUT ADDITIONAL VOTER APPROVAL, SO LONG AS THE TOTAL RATE DOES NOT EXCEED 5.0 MILLS; AND SHALL THE AUTHORITY BE AUTHORIZED TO COLLECT, RETAIN AND SPEND THE TAX REVENUE COLLECTED FROM SUCH TOTAL PROPERTY TAX RATE, AND ALL OTHER REVENUE RECEIVED FROM ANY SOURCE; COMMENCING WITH TAXES PAYABLE JANUARY 1, 2017, AND CONTINUING THEREAFTER; AS A VOTER-APPROVED REVENUE CHANGE, OFFSET AND EXCEPTION TO THE LIMITS WHICH WOULD OTHERWISE APPLY UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION (TABOR), OR ANY OTHER LAW, AND AS A PERMANENT WAIVER OF THE 5.5% LIMITATION UNDER SECTION 29-1-301, C.R.S.?

___ YES

___ NO

- C.** SHALL TOWN OF PAGOSA SPRINGS DEBT BE INCREASED BY AN AMOUNT NOT TO EXCEED \$1,240,000 WITH A REPAYMENT COST OF \$3,250,000 FOR THE PURPOSE OF FINANCING THE OBJECTS AND PURPOSES CONTAINED IN THE PROPOSED PAGOSA SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY PLAN OF DEVELOPMENT AS SUCH PLAN MAY BE ADOPTED AND AMENDED FROM

TIME TO TIME (“THE PROJECT”), INCLUDING EQUIPMENT, APPURTENANCES, AND ACQUISITION OF INTEREST IN LANDS FOR SUCH PROJECT, AND INCLUDING RESERVED FUNDS AND OTHER INCIDENTAL COSTS NECESSARY OR APPROPRIATE IN CONNECTION WITH SUCH PROJECT AND FINANCING; SUCH DEBT TO CONSIST OF BONDS, NOTES, LOAN AGREEMENTS, REIMBURSEMENT AGREEMENTS OR LEASES TO BE DATED AND SOLD AT SUCH TIME OR TIMES, AND AT SUCH PRICES (AT, ABOVE OR BELOW PAR) AND CONTAINING SUCH TERMS, NOT INCONSISTENT HEREWITH, AS THE CITY COUNCIL MAY DETERMINE; SHALL SUCH DEBT BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE AUTHORITY OR THE TOWN, INCLUDING THE REVENUES PLEDGED OR FROM TAXES PLEDGED PURSUANT TO SECTION 31-25-807(3)(B) COLORADO REVISED STATUTES WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE BOARD OF THE AUTHORITY AND THE TOWN COUNCIL; AND SHALL THE PROCEEDS OF SUCH DEBT , INCLUDING INVESTMENT EARNINGS, BE COLLECTED AND SPENT AS CHANGES AND EXCEPTIONS TO THE REVENUE AND SPENDING LIMITS OF ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?

YES

NO

D. SHALL THE PAGOSA SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY BE AUTHORIZED TO COLLECT, RETAIN AND SPEND, FOR ANY AUTHORITY PURPOSES, ALL REVENUES AND FUNDS COLLECTED OR RECEIVED FROM ANY AUTHORIZED SOURCE, COMMENCING UPON ORGANIZATION OF THE AUTHORITY AND CONTINUING THEREAFTER, AS A VOTER-APPROVED REVENUE CHANGE, OFFSET AND EXCEPTION TO THE LIMITS WHICH WOULD OTHERWISE APPLY UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION (TABOR), SECTION 29-1-301, C.R.S., OR ANY OTHER LAW?

YES

___ NO

Section 5. Bond Ordinance or Resolution. Any ordinance or resolution by which bonds are issued pursuant to the DDA Statutes and approved by qualified electors shall specify the maximum net effective interest rate of such bonds.

Section 6. Designated Election Official. The Town Clerk is hereby directed to take all necessary and proper compliance actions to place the ballot titles before the qualified electors of the proposed Pagosa Springs Downtown Development Authority by mail ballot at the November 8, 2016 regular election. The Town Clerk shall serve as the Designated Election Official to conduct the special election on behalf of the Town and the proposed Downtown Development Authority. The Designated Election Official is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Ordinance, the Home Rule Charter, the DDA Statutes, TABOR and all other applicable laws. Among other matters, the Designated Election Official shall arrange for the required notices of election, including the TABOR notice, appoint election judges, and direct that all other appropriate actions be accomplished.

Section 7. TABOR Notice IGA. The Designated Election Official shall execute and enter into an intergovernmental agreement on behalf of the Town, with Archuleta County, Colorado, regarding the mailing of the notice required by Section 3(b) of TABOR. The mailing of the Town's TABOR notice shall be in accordance with the provisions of such intergovernmental agreement.

Section 8. Actions by Town Officers and Employees. Any and all actions previously taken by the Designated Election Official or any other Town Officer or employee in furtherance of the directions and authorizations of this Ordinance are hereby ratified and confirmed.

Section 9. Public Inspection. The full text of this Ordinance, with any amendments, are available for public inspection at the office of the Town Clerk.

Section 10. Severability. If any portion of this Ordinance is found to be void or ineffective, it shall be deemed severed from this Ordinance and the remaining provisions shall remain valid and in full force and effect.

Section 11. Safety Clause. The Town Council finds and declares that this Ordinance is promulgated and adopted for the public health, safety and welfare and this Ordinance bears a rational relation to the legislative object sought to be obtained.

INTRODUCED, READ, AND ORDERED PUBLISHED PURSUANT TO SECTION 3.9, B) OF THE PAGOSA SPRINGS HOME RULE CHARTER, BY THE TOWN COUNCIL OF THE TOWN OF PAGOSA SPRINGS, COLORADO, UPON A MOTION DULY MADE, SECONDED AND PASSED AT ITS REGULAR MEETING HELD AT THE TOWN OF PAGOSA SPRINGS, ON THE ____ DAY OF ____, 2016.

TOWN OF PAGOSA SPRINGS,
COLORADO

By: _____
Don Volger, Mayor

Attest:

April Hessman, Town Clerk

FINALLY ADOPTED, PASSED, APPROVED, AND ORDERED PUBLISHED PURSUANT TO SECTION 3.9, D) OF THE PAGOSA SPRINGS HOME RULE CHARTER, BY THE TOWN COUNCIL OF THE TOWN OF PAGOSA SPRINGS, COLORADO, UPON A MOTION DULY MADE, SECONDED AND PASSED AT ITS REGULAR MEETING HELD AT THE TOWN OF PAGOSA SPRINGS, ON THE ____ DAY OF ____, 2016.

TOWN OF PAGOSA SPRINGS,
COLORADO

By: _____
Don Volger, Mayor

Attest:

April Hessman, Town Clerk

CERTIFICATE OF PUBLICATION

I, the duly elected, qualified and acting Town Clerk of the Town of Pagosa Springs, Colorado, do hereby certify the foregoing Ordinance No. ____ (Series 2016) was approved by the Town Council of the Town of Pagosa Springs on first reading at its regular meeting held on the _____ day of _____, 2016, and was published by title only, along with a statement indicating that the full text of the Ordinance is available at the office of the Town Clerk, on the Town's official website, on _____, 2016, which date was at least ten (10) days prior to the date of Town Council consideration on second reading.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Town of Pagosa Springs, Colorado, this __ day of _____, 2016.

April Hessman, Town Clerk

(S E A L)

I, the duly elected, qualified and acting Town Clerk of the Town of Pagosa Springs, Colorado, do hereby certify the foregoing Ordinance No. ____ (Series 2016) was approved by the Town Council of the Town of Pagosa Springs on second reading, at its regular meeting held on the _____ day of _____, 2016, and was published by title only, along with a statement indicating the effective date of the Ordinance and that the full text of the Ordinance is available at the office of the Town Clerk.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Town of Pagosa Springs, Colorado, this __ day of _____, 2016.

April Hessman, Town Clerk

(S E A L)

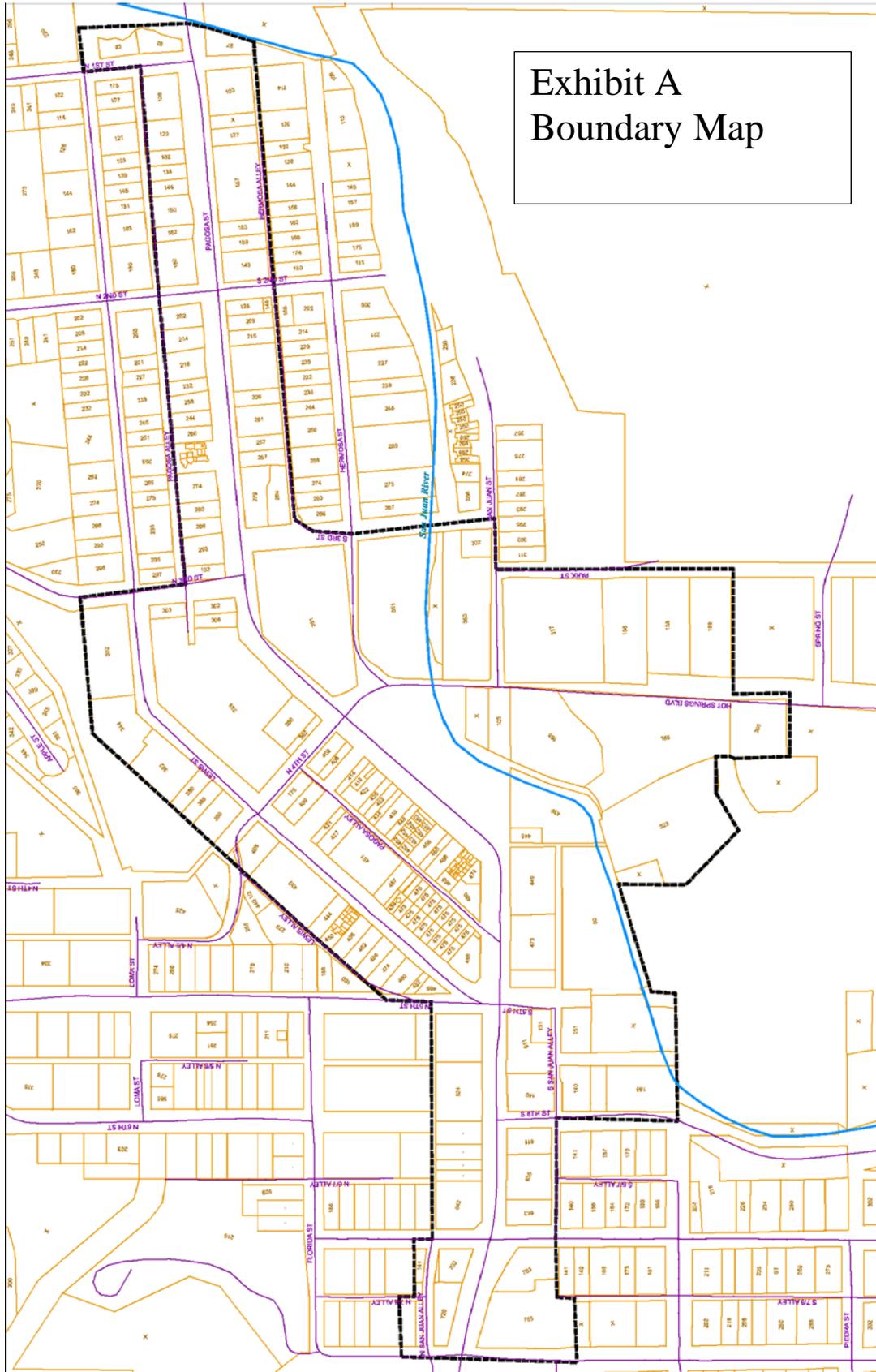


Exhibit A
Boundary Map

COLLINS COCKREL & COLE

A PROFESSIONAL CORPORATION

PAUL R. COCKREL
 JAMES P. COLLINS
 ROBERT G. COLE
 TIMOTHY J. FLYNN
 EVAN D. ELA
 LINDA M. GLESNE
 DAVID A. GREHER

ATTORNEYS AT LAW
 390 UNION BOULEVARD, SUITE 400
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E-MAIL

cccfirm@cccfirm.com

NOVEMBER 8, 2016 INDEPENDENT MAIL BALLOT ELECTION CALENDAR TOWN OF PAGOSA SPRINGS

DATE	ACTION	AUTHORITY
August 2	Town Council Meeting – 5PM – FIRST READING of Ordinance(s) to Establish DDA, Impose Property Tax, Call for Election to submit question and issue to qualified electors, and appoint a Designated Election Official.	§31-25-804, C.R.S. Charter Sections 3.9, 5.6 and 5.7
Prior to August 18	Town Clerk shall hold public hearing prior to setting the ballot title.	Charter Section 5.9
August 18	Town Council Meeting – 5PM – SECOND READING of Ordinance(s) to Establish DDA, Impose Property Tax, Call for Election to submit question and issue to qualified electors, and appoint a Designated Election Official.	§31-25-804, C.R.S. Charter Sections 3.9, 5.6 and 5.7
September 9	Final adoption of ordinance no later than 60 days prior to election. (No requirement to certify ballot.)	Charter Section 4.3
September 9	County Clerk shall provide list of UOCAVA voters	§31-10-102.8(5)
September 9	Issue Committees shall register with the Town Clerk within 10 calendar days of accepting or making contributions or expenditures in excess of \$200 to support or oppose any ballot issue or ballot question.	Article XXVIII, Section 2(10), Colo. Constitution §1-45-108(3.3)
September 23	Written comments for and against the TABOR ballot issue(s) must be received by the Town Clerk (45 days before the election). (Comments must be filed by the end of the business day on the Friday before the 45th day before the election). Town Clerk shall mail ballots to those qualified electors who reside within the DDA area and who have applied and are designated as a “covered voter” under the Uniform and Overseas Citizens Absentee Voting Act	§1-7-901(4) and Article X, Section 20, Colorado Constitution §§1-8.3-103(1)(d), 1-8.3-110(1), and 31-10-102.8

COLLINS COCKREL & COLE

November 8, 2016 Independent Mail Ballot Election Calendar
Page 2

DATE	ACTION	AUTHORITY
	(UOCAVA) (not later than 45 days before the election).	
October 7	Mail TABOR Notice to each household where a qualified elector of the DDA resides (at least 30 days before the election).	Article X, Section 20(3)(b), Colorado Constitution
October 17	Town Clerk may begin mailing to each qualified elector a mail ballot package. Mail ballots shall be made available at the office of the Town Clerk.	§31-10-910(1)(a)
October 18	FCPA NOTE: File Issues Committee Report of Contributions and Expenditures pursuant to the Fair Campaign Practices Act with the Secretary of State (21 st day before the election).	§1-45-108(2)(a)(II)
October 24	Last day to mail the ballot packages (no later than 15 days before the election). Governing body or Town Clerk shall appoint election judges (at least 15 days prior to election). Election Judges may receive and prepare mail ballots for tabulation. Counting of the mail ballots may begin fifteen (15) days prior to the election and continue until counting is completed.	§31-10-911 §31-10-401 §31-10-911
October 28	Publish notice of election at least ten days prior to election and post notice in Clerk’s office	§§31-10-501(1) and (2)
November 4	FCPA NOTE: File Issues Committee Report of Contributions and Expenditures pursuant to the Fair Campaign Practices Act with the Town Clerk (Friday before the election).	§1-45-108(2)(a)(II)
November 8	ELECTION DAY. 7:00 A.M. to 7:00 P.M	
November 16	Last day to receive mail ballot from UOCAVA eligible elector, if such ballot was postmarked by 7:00 p.m. on the day of election, in order for ballot to be counted (by the close of business on the 8 th day after the election).	§1-8.3-111 §1-8.3-113(2)
November 22	Canvass Board (consisting of Town Clerk, Town Mayor and eligible elector of the Town) shall certify the official abstract of votes cast at the election (no later than the 10 th day after the election).	

COLLINS COCKREL & COLE

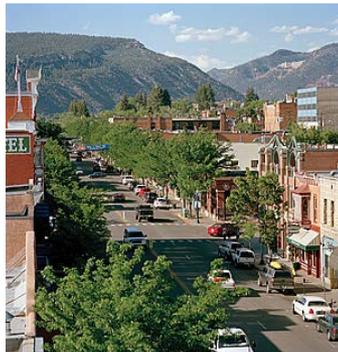
November 8, 2016 Independent Mail Ballot Election Calendar
 Page 3

DATE	ACTION	AUTHORITY
December 8	FCPA NOTE: File Issue Committee Report of Contributions and Expenditures with the Town Clerk (30 days after the election).	§1-45-108(2)(a)(II)
	Election official shall retain the sealed voted ballots until time has expired for any contest proceedings or 25 months after the election, whichever is later. All other election records and forms shall be preserved for at least six (6) months following the election.	§1-13.5-616(1) §1-13.5-616(2)

Downtown Development Authority Feasibility Study

Town of Pagosa Springs Council Meeting
8/2/16

Jeremy Nelson
REgeneration Development Strategies



Tonight's presentation

- Overview of DDA districts
- Proposed DDA boundaries
- Stakeholder feedback
 - Community meeting
 - Survey
- Estimated costs & revenues
- Next steps
- Questions and discussion



Overview of DDA Districts

What is a DDA allowed to do?

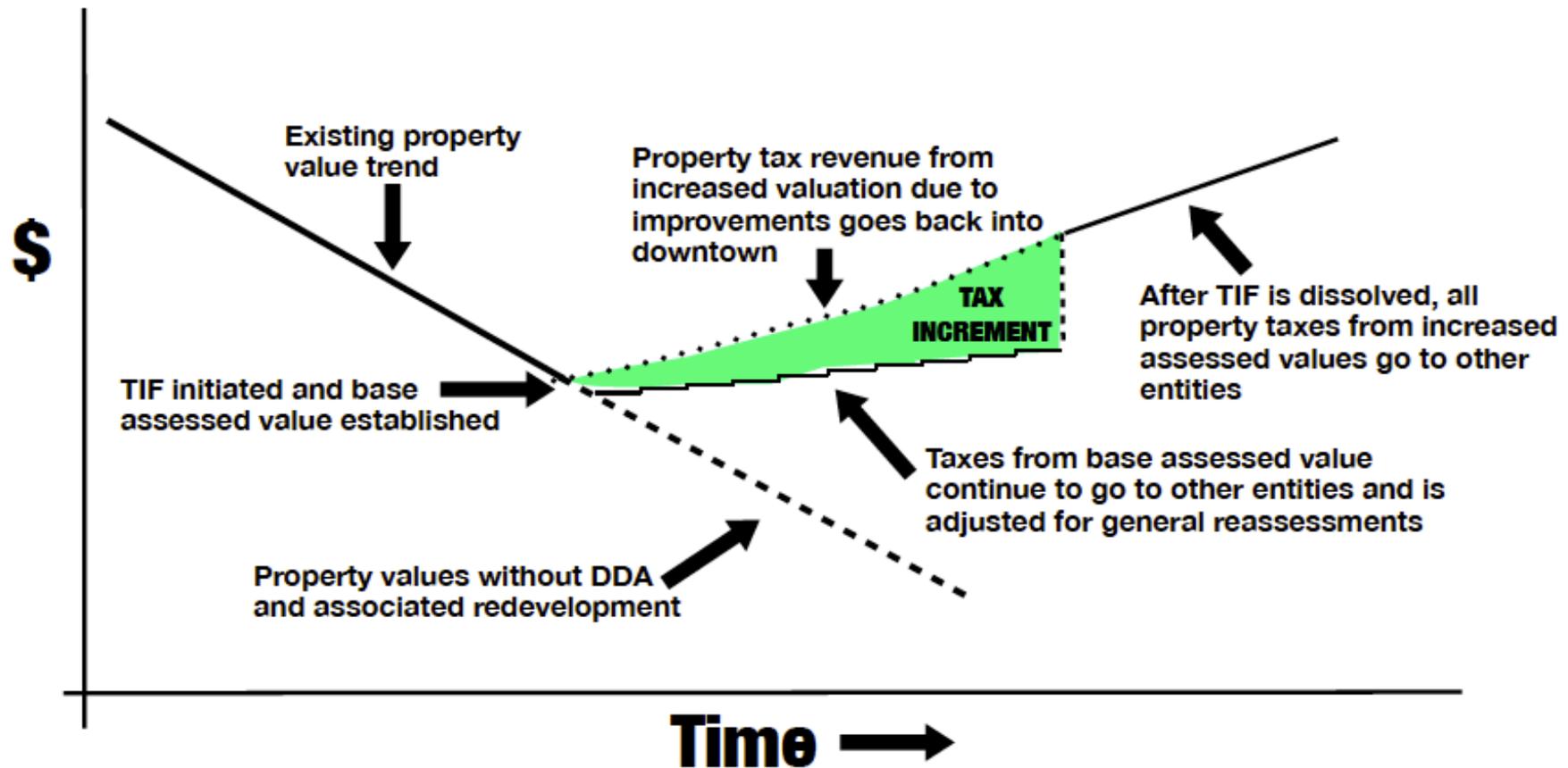
- DDA is a “quasi-municipal corporation intended to to halt/prevent deterioration of property values or structures.”
- So if approved by Downtown property owners, residents, and lessees and Town Council, a DDA can:
 - Create and implement a “plan of development, whether economic or physical.”
- What does this mean?
 - Capital projects: infrastructure, landscaping, lighting, etc...
 - Operations / Programs: maintenance, cleaning, costsharing, etc...
 - Redevelopment: Acquire, lease, and/or sell property, directly partner on development projects
- Does NOT have eminent domain powers

What are *potential* DDA funding sources?

- Mill Levy on Property Tax
 - New tax of up to 5 mills
 - Typically used for operational costs (programs, maintenance, etc...)
- Tax Increment Financing (TIF)
 - NOT a new tax
 - Property and/or sales tax capture
 - Typically used for capital costs (construction projects, etc...)
- The power of TIF: Bonds
 - Municipality can issue bonds secured by future TIF revenues
 - DDA can use bond monies to frontload improvements (especially more expensive capital projects)

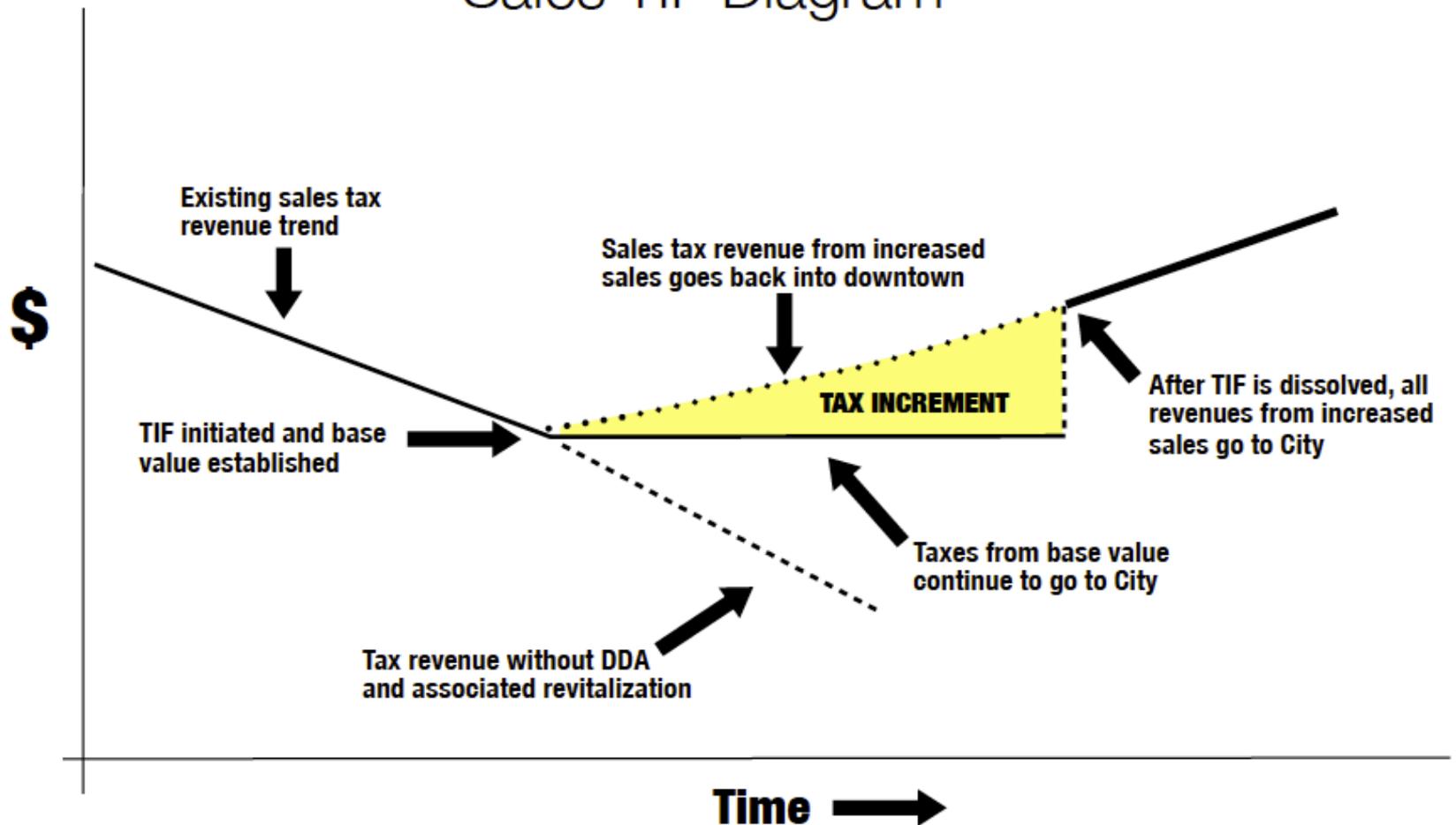
How TIF works

Property TIF Diagram



How TIF works

Sales TIF Diagram



How do DDAs form & operate?

- Public hearings to adopt ordinance to establish proposed boundaries, funding sources, and development/improvement plan
- TABOR election: approval of qualified electors in the district
 - Property owners
 - Business owners
 - Residents
- Approval by Town Council of final DDA boundaries, funding sources, and plan of priority improvements
- Form DDA entity, appoint DDA board, begin plan implementation

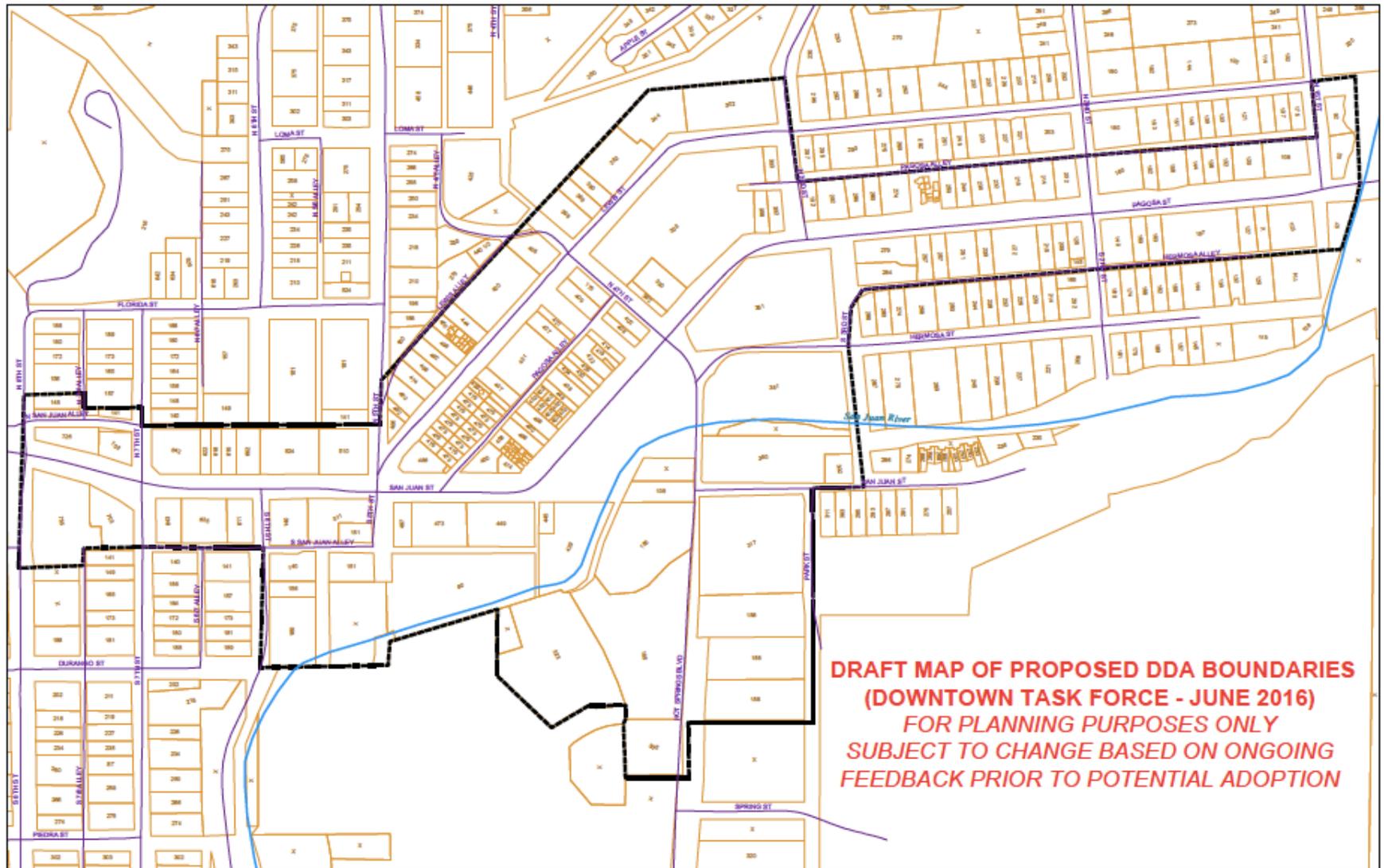
How do DDAs form & operate?

- DDA Board Requirements:
 - 5-11 members
 - Majority must reside or own property in the DDA
 - At least 1 must be from Council
- DDA Board Options:
 - Can be all Council members, OR
 - Council can appoint from DDA electors, OR
- Renewal vote of DDA in 15-25 years

DDAs in other Colorado towns

- **18 in existence, including:**
 - Brighton
 - Castle Rock
 - Ft. Collins
 - Glenwood Springs
 - Grand Junction
 - Greeley
 - Longmont
 - Montrose
 - Mt. Crested Butte
 - Nederland
 - Rifle
 - Windsor
 - Woodland Park
- **Under consideration:**
 - Durango

Proposed DDA boundaries





What stakeholder feedback has been received thus far?

Community meeting

- June 16 at Town Hall
- ~25 people in attendance
- Similar presentation as tonight's
- DTF stakeholders presented DDA pros/cons
- Nearly an hour of discussion
- Lots of savvy, tough questions
- Overall feedback was supportive:
 - “How do we partner to make this work?”
- Coverage in the SUN

Stakeholder survey

- Survey open for 8 weeks (6/10 to 7/28)
- Distributed the online survey link via:
 - DTF's Wiggio discussion group
 - DTF's contact database / email list
 - Shared link at 6/16 community meeting
- And distributed paper surveys at:
 - 6/16 community meeting
 - 7/14 DTF meeting
 - 7/21 Council hearing
 - By request from any DTF member

Survey response: roles / interests

What is your interest in revitalizing downtown?

73 out of 73 people answered this question



Bottom line: A robust response rate with diverse representation.

Survey response: priorities

- Priority improvements from DTF & stakeholder discussions past 2+ years
- Ranked from 1 (most important) to 10 (not important)
- Ranking:
 1. Better cleaning / maintenance of infrastructure (4.22)
 2. Increase parking availability / supply (4.42)
 3. Pedestrian safety / traffic calming (4.51)
 4. Sidewalk enhancement, landscaping, beautification (4.60)
 5. Public restrooms on east end of downtown (4.77)
 6. Revolving loan program for façade improvements (5.56)

Bottom line: The surveyed projects & programs were all ranked as fairly high importance and all perceived as roughly equivalent priorities.

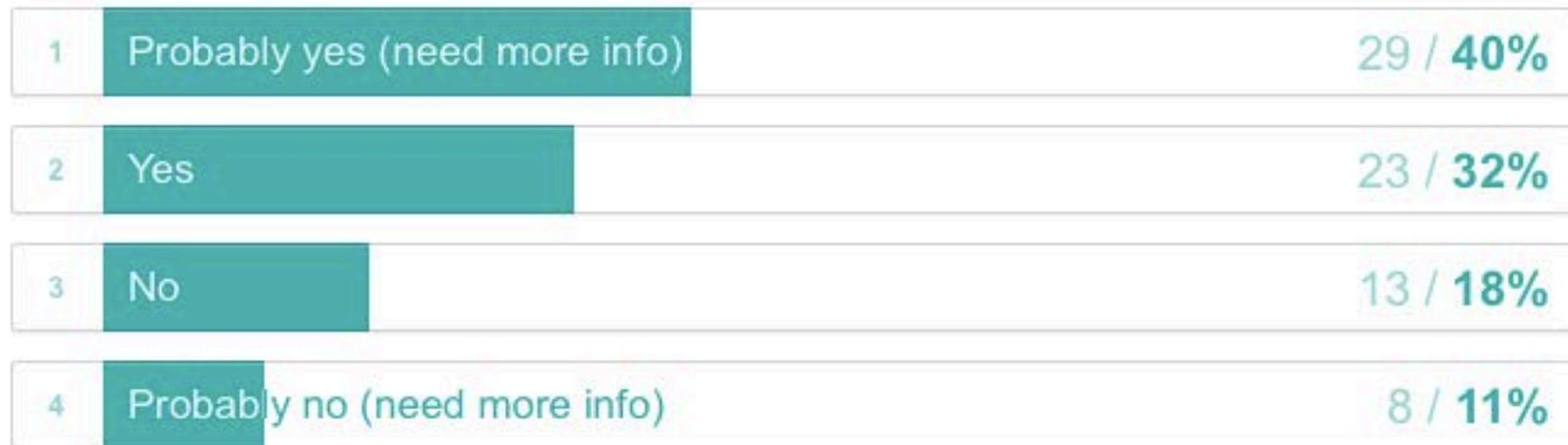
Additional survey suggestions

- Survey question: *“Do you have other priority downtown improvements?”*
- An optional question, but...
 - 30 respondents shared nearly 46 additional suggestions for priority downtown improvements
- Major categories...
 - Multimodal transportation / safety
 - Development / redevelopment
 - Beautification
 - Lighting
 - Parking pricing & enforcement
 - Speed limit enforcement
 - Miscellaneous (various programs and projects)

Survey response: DDA formation

Support formation of a DDA to fund your priority downtown improvements?

73 out of 73 people answered this question

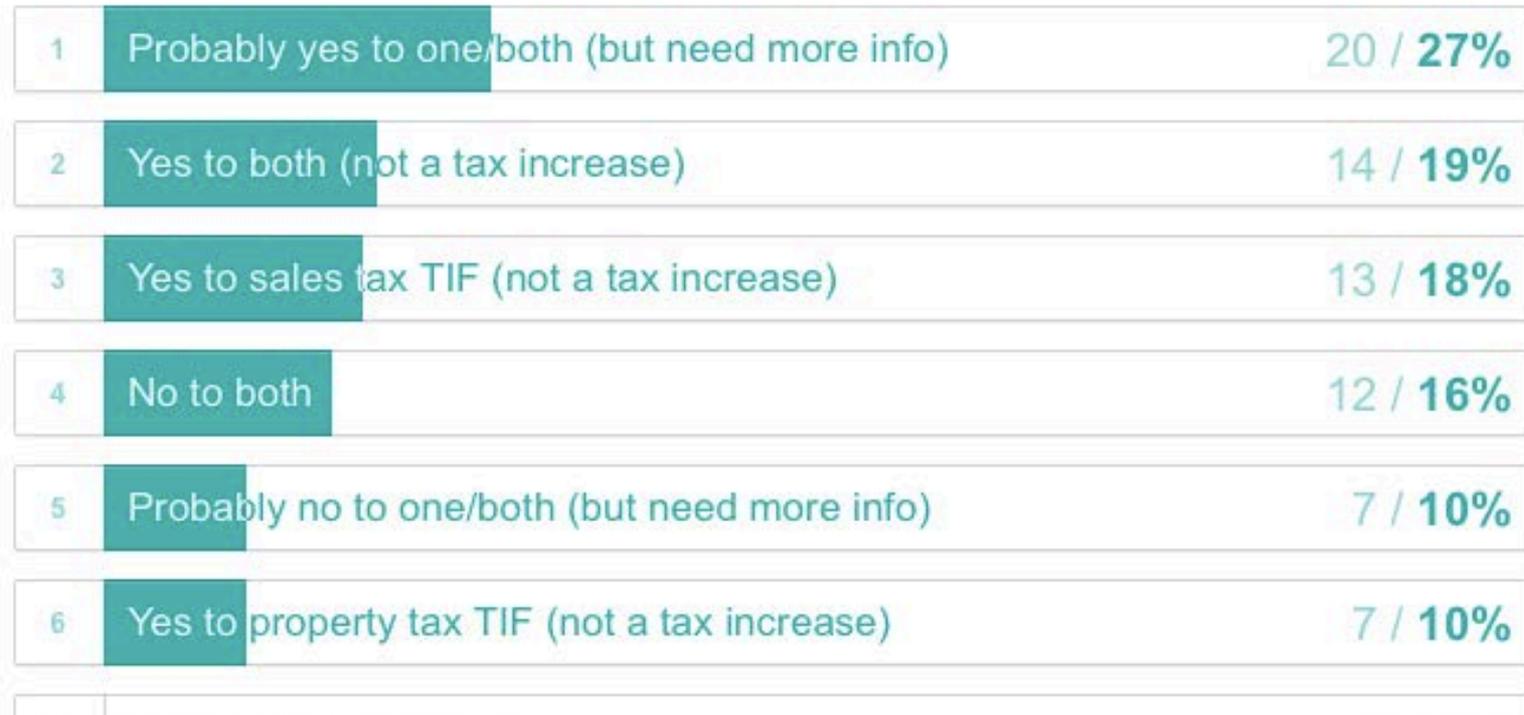


Bottom line: 72% support/likely support the formation of a DDA (Downtown Development Authority) to pay for their priority downtown improvements.

Survey response: TIF

Support TIF to fund your priority downtown improvements?

73 out of 73 people answered this question

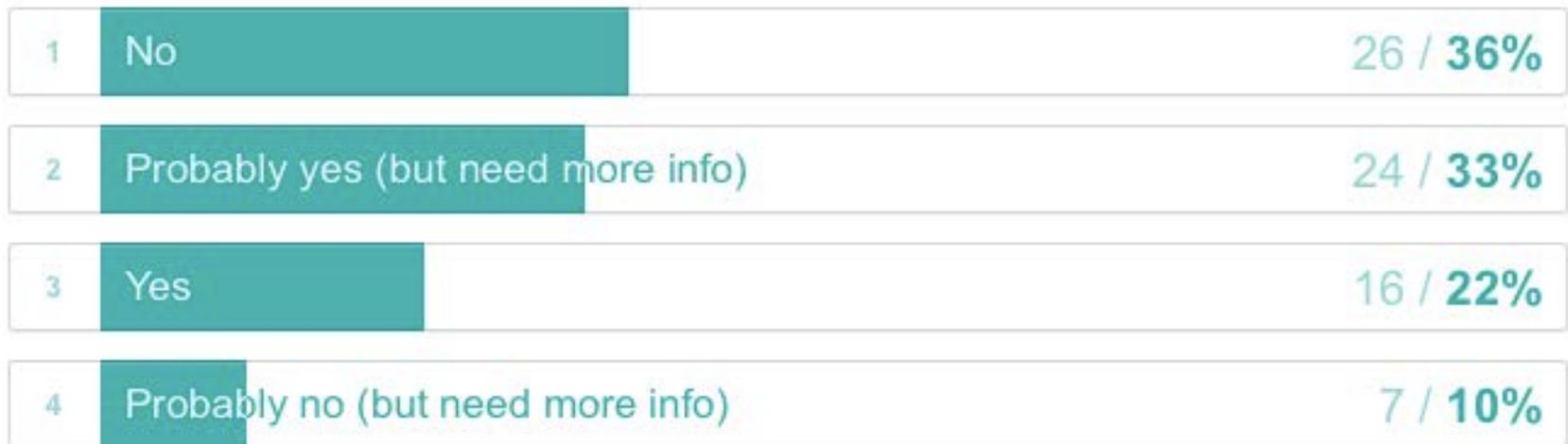


Bottom line: 74% support/likely support the use of TIF (Tax Increment Finance) to pay for their priority downtown projects.

Survey response: 5 mill levy

Support a 5 mill levy on downtown commercial properties to fund your priority downtown improvements?

73 out of 73 people answered this question



Bottom line: 55% support/likely support the use of a 5 mill levy to pay for their priority downtown programs.



Estimated Costs & Revenues

Capital project costs

Capital projects:

- Pedestrian safety / traffic calming: \$288,000
- Sidewalk enhancement, landscaping, beautification: \$420,000
- Increase parking availability / supply: \$112,500
- Public restrooms on east end of downtown: \$96,000

TOTAL: \$916,000

NOTE: All capital cost estimates are high-level for initial planning purposes only. Final costs could vary from these estimates by +/- 25%.

TIF revenue projections

- **Original projections: 30-Year Tax Increment Revenue (rounded)**
 - Property \$911K
 - Sales \$233K
 - TOTAL \$1.1M

- **Revised projections: 30-Year Tax Increment Finance Revenue (rounded)**
 - Property \$9.4M - 12.6M
 - Sales \$7.6M - 10.2M
 - TOTAL \$17.0M - 22.8M

- **Reasons for revised TIF projections**
 - *Sales tax model:*
 - Additional clarity on sales tax data provided (based on history of County & Town sales/lodging taxes)
 - Additional quality control/peer review identified a formula error for base year revenues
 - *Property tax model:* Added in residential property value (since TIF isn't a tax increase)
 - *Both models:* Substituted a static base year for a "rolling" base year per CRS
 - Rolling base year was intended to account for potential increases to baseline revenues (and resulting reduction in gross TIF revenues)
 - Increased assumed reduction in gross TIF revenues from 10% to 25% (conservatively accounts for potential increases in baseline revenues without drastically overestimating those effects)

TIF revenue projections

- **Revised 30-Year Tax Increment Finance Revenue (rounded)**

- **Property** \$9.4M - 12.6M
- **Sales** \$7.6M - 10.2M
- **TOTAL** \$17.0M - 22.8M

- **Notes**

- Required use is for capital projects (infrastructure, etc.)
- Can issue municipal bonds against some/all of projected revenues (to expedite implementation)
- Base year: 2015
- Lower and upper bound of range represents 75% and 100% of 30-year projected revenues respectively
- Property tax projections based on:
 - Assumption of 1%, 3%, or 5% annual growth in downtown property valuation and tax revenues
 - Figure shown above is midpoint projection assuming 3% growth
- Sales tax projections are TIF equivalent revenues based on:
 - 2015 sales tax base revenue is current Town share of total sales tax revenues generated countywide
 - 2004-2015 growth factor of 4.3% in Town share of total countywide sales tax revenues
 - Assumption that downtown generates 5%, 7.5%, or 10% of Town share of total countywide sales tax revenues
 - Figure shown above is midpoint projection assuming 7.5% share per DTF recommendation
- Revenues tax-exempt property (do not pay taxes of any kind so do not generate tax revenue growth)
- Projected 30-year midpoint reserve: ~\$16M (75% projected revenues) to ~\$22M (100% of projected revenues)
- Caveats: capital cost estimates are +/-25% and revenue projections don't shown don't account for potential changes to baseline revenue or net out O & M costs, bond fees, or debt service
- *Planning-level projections* (will continue to be refined)

Tax bill with property/sales TIF

- How much more tax would you pay?

\$0

- NOT an increase of an existing tax
- NOT a new tax
- Everyone pays the same amount of property / sales tax as they would without a DDA
- Only difference: the growth in tax revenue generated downtown...
 - Diverts to the DDA
 - Is dedicated to downtown improvements

Programs/operations costs

Programs & operations:

- Enhanced cleaning/maintenance of infrastructure: \$15,000
- Revolving loan program for façade improvements: \$15,000
- Part-time DDA Manager: \$20,000

TOTAL: \$50,000

NOTE: All program cost estimates are high-level for initial planning purposes only. Final costs could vary from these estimates depending on policy choices of future potential DDA board.

Mill levy revenue projections

- **Note:** Original mill levy projections have not been revised
- **5 Mill Levy Revenue (rounded)**
 - **2016:** \$50K
 - **2017:** \$51K
 - **2018:** \$53K
 - **2019:** \$54K
 - **2020:** \$56K
- **Notes**
 - Typical use is for programs & operations
 - Base year: 2015
 - Projections calculated assuming 1%, 3%, or 5% annual growth in downtown property valuation and tax revenues
 - 2017-2020 figures are midpoint projections assuming 3%
 - Revenues exclude:
 - Tax-exempt properties (do not pay taxes of any kind)
 - Residential properties (DTF intent is for DDA to rebate mill levy back to fixed-income residents)
 - County Treasurer's legally-mandated 3% collection fee
 - 2016 is breakeven, by 2020 projected reserve up to \$10K
 - Caveat: program costs estimates do not include cost escalation)
 - *Planning-level projections* (will continue to be refined)

Tax bill with 5 mill levy

- **How much more tax would you pay?**
- Do you own commercial property within the proposed DDA boundaries?
 - **NO:** Additional property tax obligation... **\$0**
 - **YES:** Additional property tax obligation... **\$12/month for every \$100,000 in actual value**
- You can do the math yourself...
tinyurl.com/5-Mill-Levy-Calculator

Next steps

- **August**

- Public hearing / community meeting #2
- Council Hearings to adopt ordinance & ballot language (if applicable)
- Summarize feedback from survey, community meeting, Council
- Revise DDA plan of action based on feedback

- **September/October**

- Prepare for election, mail ballots, etc. (if applicable)

- **November**

- 11/8: Hold election (if applicable)
- Count ballots and publish elections results

- **December/January**

- Form DDA (if applicable)
- Adopt & implement DDA plan of development (if applicable)

Questions & discussion?



REgeneration
DEVELOPMENT STRATEGIES

San Francisco | Durango

Jeremy Nelson

jnelson@REgenerationDevelopment.com

(415) 425-9848



AGENDA DOCUMENTATION

NEW BUSINESS:IV.5

TOWN COUNCIL
AUGUST 2, 2016

FROM: SCOTT LEWANDOWSKI, SPECIAL PROJECTS MANAGER

PROJECT: CDOT TAP APPLICATION SUPPORTING DOCUMENTATION

ACTION: DISCUSSION AND POSSIBLE DECISION

PURPOSE/BACKGROUND

Staff has been working with Davis Engineering and CDOT Region 5 representatives to get the Harman Hill Phase of the Town to Lakes trail poised for construction. Staff is in the process of addressing project funding in order to move towards implementation. To date, staff have secured \$460,000 in grant awards, which represents only a portion of the 1.47 million needed according to the most recent engineer's estimate. With that information at hand, staff have devised a grant application for the 2018-2020 cycle of CDOT Transportation Alternatives Program (TAP) in order to address the funding shortfall.

Staff is highly confident that the current application is reflective of the community priorities and aligns with the TAP programmatic goals. The Town's request of up to \$815,589 with a \$197,500 match, places it in a competitive position to receive a portion of the 2.8 million available for CDOT Region 5. The application requires a letter of approval and resolution of financial commitment from the applicant. Drafts of these application components have been included in the application as place holders and executed copies will be sent to CDOT in a timely manner. Staff recommends that the Council approve the letter and resolution in order to formally support the grant application.

In absence of achieving full project funding, staff will continue to pursue grant opportunities in the upcoming year including State Trails and Great Outdoors Colorado. Council should be cognizant of the fact that the pursuit of additional grant opportunities will further delay the overall construction start.

ATTACHMENT(S)

Letter of Approval
Resolution No. 2016-11

FISCAL IMPACT

If awarded, the Town's financial commitment for this grant request would be \$197,500.

RECOMMENDATION

Possible Council actions include:

- 1) Approve the letter of approval and resolution of financial commitment for the 2018-2020 CDOT TAP Application.
- 2) Not approve the letter of approval and resolution of financial commitment for the 2018-2020 CDOT TAP Application.
- 3) Direct Staff.



**551 Hot Springs Boulevard
Post Office Box 1859
Pagosa Springs, CO 81147
Phone: 970.264.4151
Fax: 970.264.4634**

August 2, 2016

Mr. Mike McVaugh, Regional Transportation Director
CDOT Region 5
3803 North Main Avenue Suite 300
Durango CO 81301

To whom it may concern,

The Town of Pagosa Springs Town Council is submitting this letter in support of regional trail funding for the Town to Pagosa Lakes Commuter Trail (TPLCT). The Town Council fully supports efforts to secure funding for a project that supports an alternative transportation connection between primary commercial areas, schools and residential areas in Archuleta County. Town Council has viewed the TPLCT as a top priority for the community for several years now.

The Town has adopted a Comprehensive Plan in 2005 and a Town to Lakes Trail Master Plan in 2011, both of which provide guidance for the TPLCT. Both plans highlight the importance of trail development and fully support the continued implementation of the TPLCT. The trail will provide recreational enjoyment for the community and promote health, safety and further the advancement of community amenities. In addition, the Town Council believes that the trail can be a catalyst for tourism activity, which can strengthen both local and regional economies.

The Town of Pagosa Springs Town Council would like to further its commitment to enhancing bike and pedestrian amenities within its community. The Town Council acknowledges that this proposal reflects adopted plans and priorities and enthusiastically supports the pursuit of Colorado Department of Transportation- Transportation Alternative Program funding for this project and urges your approval of this proposal.

Sincerely,

Mayor Don Volger
Town of Pagosa Springs

TOWN OF PAGOSA SPRINGS, STATE OF COLORADO

RESOLUTION NO. 2016-11

A RESOLUTION OF THE TOWN OF PAGOSA SPRINGS, COLORADO SUPPORTING AND AUTHORIZING THE SUBMITTAL OF A COLORADO DEPARTMENT OF TRANSPORTATION (CDOT) TRANSPORTATION ALTERNATIVES PROGRAM GRANT APPLICATION FOR THE HARMAN HILL PHASE OF THE TOWN TO PAGOSA LAKES COMMUTER TRAIL.

WHEREAS, the Town of Pagosa Springs supports the submittal of a Colorado Department of Transportation (CDOT) Transportation Alternatives Program (TAP) Grant application for the Harman Hill phase of the Town to Pagosa Lakes Commuter Trail; and

WHEREAS, the Town of Pagosa Springs has requested grant funding up to \$815,589 from the Colorado Department of Transportation for the Harman Hill phase of the Town to Pagosa Lakes Commuter Trail.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF PAGOSA SPRINGS THAT:

1. The Town Council of Pagosa Springs strongly supports the submittal of a Colorado Department of Transportation (CDOT) Transportation Alternatives Program (TAP) grant application requesting up to \$815,589.
2. If the CDOT TAP grant is awarded, The Town Council of the Town of Pagosa Springs will budget funds necessary to meet the terms and obligations of the award and prioritize the completion of the awarded grant project.
3. The project site will be owned by the Town of Pagosa Springs for at least the next twenty-five years.
4. The Town Council of Pagosa Springs will continue to maintain the new multi-use trail in a high quality condition and will appropriate funds for maintenance in its annual budget.
5. If the grant is awarded, the Town Council of Town of Pagosa Springs authorizes either the Town Manager or Mayor, to sign the grant agreement with CDOT.
6. This resolution is to be in full force and effect from and after its passage and approval.

Adopted this ___ day of _____ 2016, BY THE TOWN COUNCIL OF THE TOWN OF THE PAGOSA SPRINGS, BY A VOTE OF _ IN FAVOR, _ AGAINST

TOWN OF PAGOSA SPRINGS

By: _____
Donald D Volger, Mayor

Attest:

April Hessman, Town Clerk



AGENDA DOCUMENTATION

NEW BUSINESS: IV.6

PAGOSA SPRINGS TOWN COUNCIL

AUGUST 2, 2016

FROM: GREGORY J. SCHULTE, TOWN MANAGER

PROJECT: RESOLUTION 2016-12, REIMBURSEMENT RESOLUTION (SOUTH 8TH STREET PROJECT)

ACTION: DISCUSSION AND POSSIBLE ACTION

PURPOSE/BACKGROUND

At the July 21st Town Council meeting, the Council approved moving forward with financing the S. 8th Street Project through a lease purchase mechanism, specifically a Public Offering in the amount of \$2.675 million that included the refinancing of the Lewis Street Project.

Per the information from the last meeting, the Public Offering was the mechanism that takes a little longer than a Bank Placement. It can take between 6-8 weeks to complete the transaction. Since we would like to initiate construction as soon as possible, we propose to give the contractor, James Cooley & Sons, a Notice to proceed as soon as possible.

In order to meet the cash flow obligations for the project, we propose to pay for the invoices in between the start of construction and the completion of the Public Offering with the surplus cash of the Town. Once the Public Offering is complete, then the Town's cash reserve will be replenished from the financed amount.

In order to approve this mechanism, a Reimbursement Resolution needs to be passed by the Town Council and is attached for the Council's consideration.

If the Reimbursement Resolution is not approved, the Town risks delays in the project and not taking advantage of the summer construction season.

ATTACHMENTS:

- Resolution 2016-12

FISCAL IMPACT

Since the Town's cash reserves will be replenished by the Public Offering financing once complete, the fiscal impact to the Town is negligible. The impact is estimated to be \$145 in lost interest for a period of approximately 8 weeks in the worst case scenario.

RECOMMENDATION:

Possible motions for the Town Council to consider are:

1. Move to APPROVE Resolution 2016-12 authorizing the reimbursement of project costs related to the South 8th Street Project from the Public Offering financing.
2. Move to DENY approval of Resolution 2016-12.
3. Direct staff otherwise.

RESOLUTION NO. 2016-12

A RESOLUTION DECLARING THE OFFICIAL INTENT OF THE TOWN TO REIMBURSE ITSELF WITH THE PROCEEDS OF A FUTURE LEASE PURCHASE FINANCING FOR CERTAIN CAPITAL EXPENDITURES INCURRED OR TO BE INCURRED BY THE TOWN, IDENTIFYING SAID CAPITAL EXPENDITURES AND PROVIDING OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Town of Pagosa Springs ("Town") is a home rule municipality duly organized and existing under Article XX of the Colorado Constitution and the Pagosa Springs Home Rule Charter of 2003; and

WHEREAS, the Town Council (the "Council") of the Town is duly organized, existing and acting as the governing body of the Town pursuant to the constitution and laws of the State of Colorado; and

WHEREAS, the Council has determined that it is in the best interest of the Town to make or have made on the Town's behalf certain capital expenditures relating to the construction and improvement of certain roads within the Town (the "Project"); and

WHEREAS, the Council currently intends and reasonably expects to obtain tax-exempt municipal lease purchase financing (a "Financing") in a maximum principal amount that is not currently expected to exceed \$2,700,000, to pay (or reimburse the Town) for all or a portion of such capital expenditures incurred or to be incurred by the Town or on the Town's behalf in connection with the Project; and

WHEREAS, by this Resolution the Council intends to declare its official intent for federal income tax purposes, pursuant to 26 CFR § 1.150-2, to reimburse the Town for any such capital expenditures with the proceeds of the Financing;

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF PAGOSA SPRINGS, COLORADO:

Section 1. Declaration of Official Intent. The Town presently intends and reasonably expects to initially finance all or a portion of the costs of the Project with legally available funds of the Town that are not derived from a Financing.

Section 2. Dates of Capital Expenditures. Other than preliminary expenditures of the type described in Treas. Reg. Section 1.150-2(f)(2), all of the capital expenditures covered by this Resolution were or will be made on or after the date that is 60 days prior to the effective date of this Resolution.

Section 3. Participation in Financing. The Town presently intends and reasonably expects to participate in a Financing within 18 months of the date of the expenditure of moneys on the Project or the date on which the Project is placed in service, whichever is later (but in no event more than three years after the date of the original expenditure of such moneys), and to allocate

from such Financing an amount to reimburse the Town for its capital expenditures incurred in connection with all or a portion of the Project.

Section 4. Confirmation of Prior Acts. All prior acts and doings of the officials, agents and employees of the Town which are in conformity with the purpose and intent of this Resolution and in furtherance of the Project are in all respects ratified, approved and confirmed.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately and without reconsideration on the date of its passage.

RESOLVED AND PASSED this 2nd day of August, 2016.

Don Volger, Mayor

(SEAL)

ATTEST:

April Hessman, Town Clerk



AGENDA DOCUMENTATION

NEW BUSINESS: IV.7

PAGOSA SPRINGS TOWN COUNCIL

AUGUST 2, 2016

FROM: GREGORY J. SCHULTE, TOWN MANAGER

PROJECT: AUTHORIZATION OF ENGAGEMENT LETTER WITH KUTAK ROCK FOR BOND AND DISCLOSURE COUNSEL

ACTION: DISCUSSION AND POSSIBLE ACTION

PURPOSE/BACKGROUND

At the July 21st Town Council meeting, the Council approved moving forward with financing the S. 8th Street Project through a lease purchase mechanism, specifically a Public Offering in the amount of \$2.675 million that included the refinancing of the Lewis Street Project. To issue the public offering the Town will require the services of a bond and disclosure counsel. In prior financings, the town has used the firm of Kutak Rock. Indeed, Kutak Rock served as bond counsel for the Lewis Street Project financing. Kutak Rock LLP would provide the usual and customary services rendered by bond counsel in certificate of participation financings, including the following:

1. Provide the Town with legal advice and assistance on (a) financing structure and options, including payment terms and credit enhancement; (b) federal and state tax matters as they relate to the financing; and (c) federal and state securities issues as they relate to the financing.
2. Confer with Town officials, the Underwriter and other consultants identified by the Town relating to the financing.
3. Participate in and direct the development and preparation of the principal legal documentation necessary to complete the financing in accordance with the Town's timetable including, without limitation, the lease purchase agreement, the mortgage and indenture of trust, certificate purchase agreement, continuing disclosure undertaking and the resolution of the Town authorizing the financing.
5. Issue a bond opinion and, if necessary or appropriate, opinions on related matters such as the applicability of federal and state securities and taxation laws and regulations, the defeasance of the refunded certificates, and the validity and enforceability of any other documents related to the COPs and their security.
6. Arrange for and direct the closing of the financing.
7. Prepare closing transcripts for all parties to the financing.
8. Perform all other functions customarily within the scope of the duties of bond counsel.

ATTACHMENTS:

- Proposed Engagement Letter

FISCAL IMPACT

The cost for engaging Kutak Rock for services as bond counsel is quoted at \$50,000.

RECOMMENDATION:

Possible motions for the Town Council to consider are:

1. **Move to authorize the Mayor to sign the Engagement Letter with Kutak Rock for bond and disclosure counsel related to the South 8th Street Project Financing.**
2. **Move to DENY authorizing the signing of the Engagement Letter with Kutak Rock.**
3. **Direct staff otherwise.**

KUTAK ROCK LLP
SUITE 3000
1801 CALIFORNIA STREET
DENVER, COLORADO 80202-2626
303-297-2400
FACSIMILE 303-292-7799
www.kutakrock.com

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OMAHA
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RICHMOND
SCOTTSDALE
SPOKANE
WASHINGTON, D.C.
WICHITA

July 28, 2016

MARIO T. TRIMBLE
mario.trimble@kutakrock.com
(303) 297-2400

Mr. Greg Schulte
Town Manager
Town of Pagosa Springs, Colorado
P.O. Box 1859
Pagosa Springs, CO 81147

**Re: Provision of Legal Services as Bond Counsel to the Town of Pagosa Springs,
Colorado in Connection with Proposed Financings**

Dear Greg:

We are pleased to submit this letter confirming the terms of our engagement and the basis for our compensation as bond and disclosure counsel to the Town of Pagosa Springs, Colorado (the "Town") in connection with your proposed South 8th Street Financing as well as other proposed financings.

Scope of Engagement

South 8th Street Financing

As we understand the South 8th Street Financing, the Town proposes to participate in the issuance of approximately \$2,700,000 aggregate principal amount of Certificates of Participation evidencing proportionate undivided interests in rights to receive certain revenues payable pursuant to a lease purchase agreement (the "COPs") for the purpose of funding the construction and improvement of certain roads within the Town (the "Project"). Under the proposed financing, the Town would lease certain property owned by the Town (the "Leased Property") to a third party trustee (the "Trustee") in exchange for a lump-sum payment sufficient to finance the Project, including payment of the costs of the financing pursuant to a site lease (the "Site Lease"). The Leased Property would be leased back to the Town pursuant to a lease purchase agreement (the "Lease Purchase Agreement"). Under the Lease the Town would pay Base Rentals consisting of a principal component and an interest component. The COPs would be issued pursuant to an Indenture of Trust delivered by the Trustee. At the end of the final renewal term of the Lease, the Lease and Site Lease would terminate, leaving the Town with unencumbered ownership of the Leased Property and all improvements located thereon. The Town may contribute additional amounts to the Project.

KUTAK ROCK LLP

Town of Pagosa Springs, Colorado
July 28, 2016
Page 2

Bond Counsel Services

Kutak Rock LLP would provide the usual and customary services rendered by bond counsel in certificate of participation financings, including the following.

1. Provide the Town with legal advice and assistance on (a) financing structure and options, including payment terms and credit enhancement; (b) federal and state tax matters as they relate to the financing; and (c) federal and state securities issues as they relate to the financing.
2. Confer with Town officials, the Underwriter and other consultants identified by the Town relating to the financing.
3. Participate in and direct the development and preparation of the principal legal documentation necessary to complete the financing in accordance with the Town's timetable including, without limitation, the lease purchase agreement, the mortgage and indenture of trust, certificate purchase agreement, continuing disclosure undertaking and the resolution of the Town authorizing the financing.
4. Assist, as requested, in presenting information to rating agencies or the Insurer.
5. Issue a bond opinion and, if necessary or appropriate, opinions on related matters such as the applicability of federal and state securities and taxation laws and regulations, the defeasance of the refunded certificates, and the validity and enforceability of any other documents related to the COPs and their security.
6. Arrange for and direct the closing of the financing.
7. Prepare closing transcripts for all parties to the financing.
8. Perform all other functions customarily within the scope of the duties of bond counsel.

Official Statement

In this engagement, we expect to render legal advice to the Town in the preparation of an official statement to be used in the offer and sale of the COPs (the "Official Statement"). In connection with this service, Kutak Rock LLP will represent to the Town that, while we are not passing upon, and do not assume responsibility for, the accuracy, completeness or fairness of the statements contained in the Official Statement, nothing has come to the attention of the attorneys in our firm who have worked on this engagement which leads us to believe that the final Official Statement (other than the financial, statistical or engineering data and information contained therein, any expressions of opinion or projections contained therein, as to which we express no

Town of Pagosa Springs, Colorado
July 28, 2016
Page 3

view or belief) as of its date contained, or as of the date hereof contains, any untrue statement of a material fact or as of its date omitted, or as of the date hereof omits, to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

Additional Legal Services

Kutak Rock LLP may provide general advisory services in connection with outstanding or proposed financings or other incidental services not included in the above discussion, on an ad hoc basis at the request of the Town, for which we shall accept as full payment for such services an hourly rate subject to annual adjustment with prior notice, provided, however, that the personnel assigned to perform such services shall be subject to the approval of the Town.

Limitation of Duties

Our duties in this engagement are limited to those expressly set forth above. Among other things, our duties do not include making an investigation or expressing any view as to the creditworthiness of the Town or the COPs.

Responsible Attorney

Kutak Rock LLP is a national firm of approximately 425 lawyers engaged in a multidisciplinary practice of law throughout the United States, and approximately one quarter of the firm's lawyers work in the public finance area. The firm's public finance partner who will be principally involved in this representation is Mario Trimble. Mr. Trimble has concentrated his practice in the area of public finance for over 11 years.

Attorney Client Relationship

With respect to this engagement, the Town will be our client and an attorney client relationship will exist between us. We assume that all other parties will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction. We further assume that all other parties understand that in this transaction we represent only the Town, we are not counsel to any other party, and we are not acting as an intermediary among the parties. Our services as bond counsel are limited to those contracted for in this letter; the Town's execution of this engagement letter will constitute an acknowledgment of those limitations. Our representation of the Town and the attorney client relationship created by this engagement letter will be concluded upon issuance of the COPs.

Conflicts

As you are aware, our firm represents many political subdivisions, companies and individuals. It is possible that during the time that we are representing the Town, one or more of

Town of Pagosa Springs, Colorado
July 28, 2016
Page 4

our present or future clients will have transactions with the Town. It is also possible that we may be asked to represent, in an unrelated matter, one or more of the entities involved in the issuance of the COPs. We do not believe such representation, if it occurs, will adversely affect our ability to represent you as provided in this letter, either because such matters will be sufficiently different from the issuance of the COPs so as to make such representations not adverse to our representation of you, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of the issuance of the COPs. Execution of this letter will signify the Town's consent to our representation of others consistent with the circumstances described in this paragraph.

Fees

South 8th Street Financing

Based upon: (a) our current understanding of the terms, structure, size and schedule of the financing represented by the COPs; (b) the duties we will undertake pursuant to this engagement letter; (c) the time we anticipate devoting to the financing; and (d) the responsibilities we will assume in connection therewith, our fee in connection with the South 8th Street Financing will be \$50,000. We understand and agree that our fees will be paid on or about the date of delivery of the COPs. If the financing is not consummated, we understand and agree that we will not be paid for services rendered to the Town pursuant to this engagement.

In addition, we will expect to be reimbursed for all client charges made or incurred on your behalf, such as deliveries, transcript costs and similar expenses. We estimate that such charges will not exceed \$750. Such estimate does not include real estate filing or recording fees charged by other entities that will be necessary in connection with the financing.

Additional Legal Services

As discussed above, our fees in connection with any additional or incidental legal services will be calculated on an hourly basis based on the respective rates of those involved. The following table identifies by specialty the attorneys who will be available to perform such services requested by the Town under this engagement, and the current hourly rate for each.

<u>Attorney</u>	<u>Hourly Rate</u>
Mario T. Trimble (Bond & Disclosure Counsel)	\$375
Daniel C. Lynch (Bond & Disclosure Counsel)	\$425
Ashley Dennis (Bond and Disclosure Counsel)	\$225
Larry L. Carlile (Tax Counsel)	\$425
Matthias Edrich (Tax Counsel)	\$375

KUTAK ROCK LLP

Town of Pagosa Springs, Colorado
July 28, 2016
Page 5

Records

At your request, papers and property furnished by you will be returned. Our own files, including lawyer work product, pertaining to the transaction will be retained by us. For various reasons, including the minimization of unnecessary storage expenses, we reserve the right to dispose of any documents or other materials retained by us after the termination of this engagement.

The Town may terminate this agreement with respect to our engagement by notifying Kutak Rock LLP in writing. Conversely, Kutak Rock LLP may withdraw as counsel to the Town and terminate this agreement in a manner that protects the interests of the Town in the work being performed by Kutak Rock LLP by notifying the Town in writing.

If the above sets forth our understanding to your satisfaction, please confirm the terms of our engagement by signing, dating and returning the enclosed copy of this letter. If the foregoing does not reflect our understanding or if you wish to discuss additional projects with us, please contact me.

Throughout our representation, we want you to be satisfied with the professional services we perform on your behalf. Accordingly, we invite your inquiry if you have any questions concerning any aspect of our representation.

This letter may be executed in two or more counterparts (and by different parties on separate counterparts), each of which shall be an original, but all of which shall constitute one and the same instrument.

Kutak Rock LLP

By _____
Mario Trimble, Partner

CONFIRMED AND AGREED TO AS
OF THE DATE INDICATED BELOW:

TOWN OF PAGOSA SPRINGS, COLORADO

By: _____
Authorized Officer

Date: _____



551 Hot Springs Boulevard
Post Office Box 1859
Pagosa Springs, CO 81147
Phone: 970.264.4151
Fax: 970.264.4634

**PAGOSA SPRINGS SANITATION
GENERAL IMPROVEMENT DISTRICT
MEETING AGENDA
TUESDAY, AUGUST 2, 2016
Town Hall Council Chambers
551 Hot Springs Blvd
5:00 p.m.**

- I. **CALL MEETING TO ORDER**
- II. **PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE**
- III. **PUBLIC COMMENT** – *Please sign in to make public comment*
- IV. **CONSENT AGENDA**
 - 1. **Approval of July 21, 2016 Meeting Minutes**
 - 2. **Approval to move to every other month meetings**
- V. **OLD BUSINESS**
 - 1. **TOWN/PAWSD Pipeline Update**
- VI. **NEXT BOARD MEETING AUGUST 18, 2016 AT 5:00PM**
- VII. **ADJOURNMENT**



AGENDA DOCUMENTATION

OLD BUSINESS: V.1

PAGOSA SPRINGS SANITATION BOARD OF DIRECTORS

AUGUST 2, 2016

FROM: GENE TAUTGES, SANITATION SUPERVISOR

PROJECT: PAWSD/PIPELINE UPDATE REPORT

ACTION: DISCUSSION

UPDATE

I will be on vacation returning on August 14th. In my absence I have created a detailed Standard Operating Procedure (SOP) and have trained the operators at PAWSD to handle any pump and lift station issues that may come up.

On July 26th the subcontractor began pumping the remaining sludge/wastewater matrix from the lagoon cells into the Biosolids bags or burritos as we affectionately call them. This process will take a week or two depending on the volume and the GID and PAWSD's ability to transport and treat the sludge.

Staff is working with the PAWSD operators to ensure there are no issues at the Vista wastewater treatment plant and that the decommissioning process continues smoothly. Once all the Biosolids have been pumped into the bags, and coagulated with polymer, it will be allowed to cure and dry in place until the desired consistency is achieved. At that time, the bags will be opened and the resulting dried Biosolids will be hauled to the Archuleta County Solid Waste Landfill.

The punch list of minor things to be accomplished before final completion is attained is nearly done. I continue also to make minor tweaks in the process and Supervisory Control and Data Acquisition (SCADA) system to attain the most efficient running project as is possible. Photos of the decommissioning process is shown below for your information.

As always, I am available to answer any questions you may have or to give you a quick tour of the project at your convenience.

Respectfully submitted,
Gene Tautges
Sanitation Supervisor

