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 4, 2015
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 23, 2015 Meeting Minutes**
2. **Liquor Licenses**
   a. **Liquor License Renewal – Café Colorado at 565 Village Drive Ste I & J Pagosa Springs**
   b. **Liquor License Renewal – Overlook Hot Springs Spa at 432 Pagosa Street Pagosa Springs**
   c. **Liquor License Renewal – Everyday Stores at 300 E Pagosa Street Pagosa Springs**
   d. **Special Events Liquor Permit – Humane Society of Pagosa Springs Auction for the Animals August 21, 2015 at the Ross Aragon Community Center at 451 Hot Springs Blvd.**
   e. **Special Events Liquor Permit – Seeds of Learning Little Black Dress Event October 2 & 3, 2015 at the Ross Aragon Community Center at 451 Hot Springs Blvd.**

IV. DELEGATION

1. **Solarize Archuleta - Jonathan Dobson and 4CORE**

V. NEW BUSINESS

1. **Sponsorship of the Southwest Indicator Report Housing Section**
2. **Request from Upper San Juan Health Services District for Waiving of Development Fees**

VI. OLD BUSINESS

1. **Ordinance 830, Second Reading, Repealing and Readopting Municipal Code Sections 6.5.1.9(1)(u) and 6.5.1.9(1)(v) regarding Marijuana Business Regulations**
2. **Ordinance 831, Second Reading, Amending Municipal Code Section 16.4.9 regarding Enforcement of the Lodger's Tax**

VII. PUBLIC COMMENT – *Please sign in to make public comment*

VIII. COUNCIL IDEAS AND COMMENTS

IX. NEXT TOWN COUNCIL MEETING AUGUST 20, 2015 AT 5:00 PM

X. ADJOURNMENT

Don Volger
Mayor

Public comment and agenda comment item sign-up sheets are available at meeting
Copies of proposed Ordinances and Resolutions are available to the public upon request to the Town Clerk

551 Hot Springs Boulevard
Post Office Box 1859
Pagosa Springs, CO 81147
Phone: 970.264.4151
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TOWN COUNCIL SPECIAL MEETING MINUTES
THURSDAY, JULY 23, 2015
Town Hall Council Chambers
551 Hot Springs Blvd
5:00 p.m.

I. CALL MEETING TO ORDER – Mayor Volger, Council Member Alley, Council Member Bunning, Council Member Egan, Council Member Lattin, Council Member Schanzenbaker

II. PUBLIC COMMENT – Mr. Bill Hudson said the Rez Hill Grille is having their grand opening tonight. Mr. Hudson spoke with Mr. Huttrer and Mr. Galloway who completed a geothermal assessment study. He said their report shows a less than significant chance that there is really hot water in Pagosa.

III. CONSENT AGENDA

1. **Approval of the July 7 & 16, 2015 Meeting Minutes**
2. **Approval of June Financial Statement and Accompanying Payments**
3. **Liquor Licenses**
   a. **Liquor License Renewal – Ramon's Restaurant at 56 Talisman Drive Pagosa Springs**
   b. **Special Events Liquor Permit – FolkWest Inc. Folk Festival September 4, 5, & 6, 2015 at Reservoir Hill Park** – Council Member Lattin moved to approve the consent agenda, Council Member Egan seconded, unanimously approved.

IV. REPORTS TO COUNCIL

1. **Featured Department Head Reports** - Town Manager Schulte explained that these two departments had requested additional staff in 2015, he suggests discussion at the council work session regarding increased staff levels.
   a. **Municipal Court Department** – The municipal court holds court three to four times per month. A staff of two, court administrator and court clerk, complete many tasks during the year. These tasks include continuing education, court dockets, and collaboration with the Archuleta Combined Courts to assist with use of courtroom. The current staffing levels are not adequate to effectively operate the court and deliver required services to clients of the court and probation office. The work load includes increased court dockets to accommodate case volume and increased probation case load which is well above average for a full-time probation officer. Currently the court administrator acts as the probation officer and has an average caseload of 62 clients. The department holds substantial amounts of compensatory time as a liability to the town. Council Member Lattin said it is necessary to get a full time probation officer to assist the troubled youth. The Court Clerk would like to focus more on probation cases.
   b. **Planning Department** – The department works as administration to the historic

preservation board and planning commission. Staff continues to work with Walmart staff on a number of issues for resolution. The final easement for the east side trail has been turned into CDOT and staff is looking for a notice to proceed for this portion from 8th to 10th street. The planning and building department has experienced a heavy work load this year. Building permits and development is higher than seen in many years. The daily inquiries for potential development, building, land use permits and special projects are up in volume. Many special projects have suffered in progress due to the daily office operation work loads. The marijuana business licensing is taking a lot of time for the department. Council Member Egan asked about a small park at the 1st and Lewis St intersection at the rebuilt stone bridge. Staff is working on the possibility of turning that area into a park once the bridge is rebuilt. Special Projects Manager, Scott Frost, has been busy with construction projects at the community center, the Piedra Street project, the GGP construction management, Trujillo Road, Hot Springs Bridge, and upcoming items. Town Manager Schulte would like to discuss with council the possibility of adding staff in 2015. This item will be discussed during the July 31st work session.

2. **Sales Tax Brief** – Sales tax receipts in July for the month of May shows an increase of 20.9% over 2014. This receipt is the first full month of Walmart sales. Year to date sales tax revenues is up 19.7% with a portion from previous years sales. According to budget the town is 15% or $96,000 ahead of the estimated budget.
3. **Lodgers Tax Brief** - The travel planner is being used to send out to visitors who request information, saving the town costs in mailing and postage and is arriving at visitors' doors quicker than the previous visitor guide. The lodger's tax shows a modest increase in May. The visitor center is averaging 500 visitors per day; traffic is very high with over 15,000 folks estimated to visit the center in July.
4. **Hot Springs Pedestrian Bridge Report** – During maintenance while staff was replacing wooden planks along the hot springs pedestrian bridge from the Springs Resort to the Centennial Park they discovered stress cracks in the bridge. A report from local engineer, Jim Van Liere, shows structural issues and a need to replace the bridge. The bridge doesn't have room in the north abutment to move during contraction and expansions throughout the day. Contributing factors may be from equipment driven over the bridge, the geothermal pipe hanging from under the bridge, and years of stress with lack of movement. The bridge on 6th street was approximately $200,000 with labor to install. This can be used in estimating the amount for a replacement bridge plus the cost of removal of the existing bridge. Staff has been in touch with DoLA and GOCO for funding options for this bridge replacement. Staff is working with Big R Bridge Company to determine a replacement cost of the bridge and what to do with the current bridge. Mr. Bill Hudson said the distance between the two footings may have changed due to geothermal water coming up through cracks in the earth over the last 20 years.

V. NEW BUSINESS

1. **Honoring Bob Hand's Service to the Community** - Bob Hand provided significant contributions to the community. One such contribution was his leadership as Chamber Director and efforts to build the visitor center. A plaque in Mr. Hand's honor will be placed in the lobby of the visitor center and a dedication ceremony held. Town Manager Schulte said this type of approval by town council is requested for these types of formal honoring. Council Member Bunning moved to recommend the town and tourism board honor Bob Hand's service with a plaque in the visitor center, Council Member Lattin seconded, unanimously approved.
2. **Resolution 2015-11, Appointing Lindsey Smith to the Historic Preservation Board as an Alternate Member for a Four Year Term** - The Planning Department received a letter of interest from Lindsey Smith to serve on the Historic Preservation Board. Lindsey Smith is

our new local Forest Service Archeologist and has previous experience on Historic Preservation Boards and matters concerning preservation. The HPB has approved the recommendation of Ms. Smith. Council Member Lattin moved to approve resolution 2015-11, a resolution of the Town of Pagosa Springs, Colorado, appointing Lindsey Smith to the Town Historic Preservation Board for a four year term, Council Member Alley seconded, unanimously approved.

3. **Resolution 2015-12, Appointment of Amanda Gadomski to the Parks & Recreation Commission as a Full Member for Two Year Term** - The Parks & Recreation Commission has received interest from Ms. Amanda Gadomski to serve on the Parks & Recreation Commission. Ms. Gadomski is a new addition to the Town of Pagosa Springs as one of the owners of Pagosa Outside Sports. Ms. Gadomski served as a recreation coordinator for the City of Longmont. Council Member Lattin moved to approve resolution 2015-12, a resolution of the appointing Amanda Gadomski to the Town Parks & Recreation Commission for a two year term, Council Member Schanzenbaker seconded, unanimously approved.
4. **Ordinance 830, First Reading, Repealing and Readopting Municipal Code Sections 6.5.1.9(1)(u) and 6.5.1.9(1)(v) regarding Marijuana Business Regulations** - The purpose of Ordinance 830 is to clarify the Town's marijuana business establishment regulations regarding establishments purchasing products from outside of Archuleta County as currently contemplated in Chapter 6, Article 5 of the Municipal Code, previously adopted in Ordinance 825. Clarification as to what makes up the 70% of product sold being purchased within Archuleta County. The change to these sections read, that a medical and retail marijuana centers shall obtain at least 70% of its retail or medical marijuana flowered bud inventory from an optional premises cultivation operation or retail cultivation located within Archuleta County. This local grow regulation does not include concentrates, infused or edible products. Mr. Jay Diffey said the language from seed to sale would take out the possibility of a business bringing in partially grown plants. Mr. Bill Delaney said even a cutting from outside Archuleta County is not really possible because it will be necessary to have a cultivation area established. Council Member Schanzenbaker moved to approve the first reading of Ordinance 830, an Ordinance of the Town of Pagosa Springs repealing and readopting sections 6.5.1.9(1)(u) and 6.5.1.9(1)(v) in Article 5 of Chapter 6 of the Pagosa Springs Municipal Code, for the regulation of marijuana establishment purchases from outside of Archuleta County, Council Member Egan seconded, motion passed with one nay (Council Member Lattin).
5. **Ordinance 831, First Reading, Amending Municipal Code Section 16.4.9 regarding Enforcement of the Lodgers' Tax** - The Town's 4.9% lodger's tax is imposed to be collected by vendors and remitted monthly to the Town Clerk. Ordinance 831 clarifies that the lodger's tax shall be a lien on the vendor's property until paid and that failure to remit such amounts may result in certification of the delinquent amounts to the County Treasurer for collection with taxes. This certification assists in guaranteeing the Town receives the lodger's tax due. Council Member Alley moved to approve first reading of Ordinance 831 an ordinance of the town of Pagosa Springs amending section 16.4.9 of the Pagosa Springs Municipal Code regarding enforcement of the lodger's tax, Council Member Bunning seconded, unanimously approved.
6. **Support for the BOCC to Solicit a Historical Assessment for the County Courthouse Building** – Due to flooding in the county jail facility, the BOCC has recently been considering possible options for the future of the current County Courthouse building. The Town's Historic Preservation Board has been discussing the matter at a number of meetings and recommends the Town Council encourage the BOCC to conduct a Historical Assessment for the County Courthouse from a qualified and experienced historic property surveyor and/or architect. Mayor Volger said he loves the historical structure and look of the original building, but he doesn't want to confine the county to a very

expensive assessment. He doesn't want to limit the county in moving forward with their plans for this building. Town Planner Dickhoff said there is financial support from the state for these kinds of projects. Mr. Bill Hudson said there are so many issues to this decision and he encouraged council to kick in money for this assessment of approximately $120,000. He said the county has $80,000 for a study and suggests the Town support the county financially. Town Manager Schulte suggests asking the county what they are planning to do at next week's joint meeting. Council Member Schanzenbaker said the town has not been a part of the process and this is a recommendation for an assessment that is really necessary. Council Member Egan moved to table this item until discussion with the county and determine if this will be brought back to the council for this recommendation, Council Member Lattin seconded, motion carried with one nay (Council Member Schanzenbaker). Council Member Lattin asked for the engineering report for the county building. Council Member Bunning said the council should encourage the county to take into consideration the historical value of the original building.

7. **Support for Archuleta County's Notice of Intent for a November 2015 Ballot Measure** - In 2005, the Colorado legislature passed Senate Bill 152, now codified at 29-27-101 to 304, C.R.S., which generally requires an election before a local government can provide internet, cable TV, or telecommunications service to the public. The effect of S.B. 152 is that municipalities and counties are prohibited from providing services such as free Wi-Fi hot spots, directly providing broadband as a utility, or entering into public private partnerships to provide such services. There has been considerable movement on behalf of municipalities and counties to opt out of the restrictions of SB 152 and return to the status the local governments enjoyed prior to 2005. Both Archuleta County and Town representatives attended a forum on SB 153 sponsored by the Southwestern Colorado Council of Governments (SWCCOG) in June to receive information on SB 152 and the experience of other jurisdictions in conducting elections to opt out of the 152 restrictions. The county has requested support from the Town of Pagosa Springs in proceeding with an opt-out ballot question. Commissioner Whiting explained the benefits to opting out of this regulation. Council Member Egan moved to support Archuleta County's action to place a question on the November 2015 ballot regarding opting out of the SB 152 restrictions and to direct staff to take steps to place a like measure on the April ballot, Council Member Alley seconded, unanimously approved.
8. **Request for Leave of Absence by Council Member C.K. Patel for a period of Two Months** – Due to personal and business demands, Council Member Patel is requesting an excused leave of absence for a period of two months. Council Member Bunning said that all the council members are busy, he doesn't want to set a precedence by approving this request. He said his leaving will put more work on other council members. Commissioner Wadley has agreed to chair the Area Tourism Board meetings while Council Member Patel is absent. Town Manager Schulte said he is willing to represent the town during the absence at the Tourism Board meetings. Mr. Bill Hudson said Council Member Patel has worked very hard on the boards he has served on. He said the budget season is a very important time and it will be a detriment to the council without all members. Council Member Bunning would like the Mayor to keep in touch with Council Member Patel to let the council know in advance of the two months if he is unwilling to return. Council Member Schanzenbaker moved to approve a two month excused absence by Council Member Patel beginning with the town council meeting of July 23, 2015 and extending through the council meeting of September 17, 2015, Council Member Alley seconded, unanimously approved.

VI. **PUBLIC COMMENT –** Mr. Bill Delaney said he doesn't want to see a grow operation in town limits, he said there should be a limited number of shops allowed in town. Mr. Bill Hudson said

the town needs to put their money where their mouth is in supporting the historic assessment of the courthouse.

VII. **COUNCIL IDEAS AND COMMENTS** - Council Member Schanzenbaker asked to put the courthouse item on the joint meeting agenda. Council Member Alley said there needs to be some control at crosswalks along the Hwy, he said there are a lot of speeders in town limits and pedestrian could be hurt. Council Member Egan will be out of town for the August 4th meeting. Council Member Lattin asked about the ownership of the fiber optic lines, Town Manager Schulte said the town and county own the scan network lines 50/50.

VIII. **NEXT TOWN COUNCIL MEETING AUGUST 4, 2015 AT 5:00 PM**

IX. **ADJOURNMENT –** Upon motion duly made, the meeting adjourned at 7:56pm.

Don Volger
Mayor

AGENDA DOCUMENTATION

CONSENT AGENDA:III.2

PAGOSA SPRINGS TOWN COUNCIL
AUGUST 4, 2015

FROM: BILL ROCKENSOCK, POLICE CHIEF

PROJECT: LIQUOR LICENSE RENEWALS
ACTION: DISCUSSION AND POSSIBLE DECISION

PURPOSE/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 July 1, 2014, there were no documented liquor violations at Café Colorado, located at 565 Village Dr., Ste. I&J.
Overlook Hot Springs Spa – Since July 1, 2014, there were no documented liquor violations at the Overlook Hot Springs Spa, located at 432 Pagosa St.
Everyday Stores – Since July 1, 2014, there were no documented liquor violations at the Everyday Store, located at 300 E. Pagosa St.
Humane Society of Pagosa Springs -- (for Special Events Liquor Permit) – Since July 1, 2014, there were no documented liquor violations for the Humane Society of Pagosa Springs, with regard to Special Events at the Ross Aragon Community Center, located at 451 Hot Springs Blvd.
Seeds of Learning – (for Special Events Liquor Permit) – Since July 1, 2014, there were no documented liquor violations for Seeds of Learning, with regard to Special Events at the Ross Aragon Community Center, located at 451 Hot Springs Blvd.

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**

AGENDA DOCUMENTATION
NEW BUSINESS:V.1

PAGOSA SPRINGS TOWN COUNCIL
AUGUST 4, 2015

FROM: GREGORY J. SCHULTE, TOWN MANAGER

PROJECT: SOUTHWEST COLORADO INDEX SPONSORSHIP REQUEST
ACTION: DISCUSSION AND POSSIBLE ACTION

BACKGROUND

Region 9 is working with the Community Foundation of Southwest Colorado, the United Way, and the Southwest Colorado Council of Governments (SWCCOG) to update the Southwest Colorado Index which measures and asses a variety of key community indicators. Region 9 and its partners engage data collection professionals to examine and quantify the pertinent indicators, including:

Housing
Education & Early Childhood Care
Arts & Culture
Civic Participation
Community Safety
Demographics
Economic Health & Diversity
Energy & Conservation
Environment
Health Care
Livable Wages
Transportation

The partnership would also like to examine 2nd Home Ownership, but to do that segment would require additional funding and, consequently, the group is seeking sponsorship from affected jurisdictions. Since 2nd Home Ownership is a significant issue / factor in Pagosa Springs and Archuleta County, the partnership is inquiring if there might be a willingness to contribute towards the efforts in the form of a sponsorship. The sponsorship levels are:

Bronze	$1,000
Silver	$2,000
Gold	$3,000

ATTACHMENTS:

- Southwest Colorado Index Sponsorship Form

FISCAL IMPACT

In 2015, the Town Council approved funding in the amount of $25,000 under the line item "General Economic Development Activities. The premise for the funding was for unanticipated opportunities or requests for economic development projects or initiatives. Furthermore, the intent of the funding was to leverage other funding sources or efforts in progress. Of the budgeted $25,000, there is a commitment of $6,250 to possibly match a DoLA grant for the Downtown Task Force DDA formation efforts. That leaves $18,750 in available funding. Per Council direction, specific Council authorization is required to spend from this line item. The funding line is: 10-77-520

Adopted 2015 Council Goals & Objectives

While the Council's Goals & Objective don't speak directly to this effort, it may be inferred this initiative is consistent with "Goal 3: Promote a Vital Local Economy by Supporting Economic Development and Tourism" and the sub – "Objective 3.3: Energize General Economic Development Efforts."

RECOMMENDATION

Possible motions for the Town Council to consider are:

1. **"Move to authorize the sponsorship of the Colorado Southwest Index in the amount of $X,xxx to be paid from Funding Line 10-77-520. "**

2. **"Move to decline to sponsor the Colorado Southwest Index."**

3. **Direct Staff Otherwise.**

2015 Southwest Colorado Index Sponsorship Form

(Please Print)

Organization Name (to appear in credits): _____

Contact Person: _____ Title: _____

Daytime Phone: _____

Business Address: _____

City: _____ State: _____ Zip: _____

E-mail Address: _____

YES, our organization wishes to be a sponsor!

- ☐ Bronze $1,000
- ☐ Silver $2,000
- ☐ Gold $3,000

Topic(s) of Interest:

- ☐ Housing
- ☐ Education & Early Childhood Care
- ☐ Arts & Culture
- ☐ Civic Participation
- ☐ Community Safety
- ☐ Demographics
- ☐ Economic Health & Diversity
- ☐ Energy & Conservation
- ☐ Environment
- ☐ Health Care
- ☐ Livable Wages
- ☐ Transportation
- ☐ Other _____

Payment Method:

☐ Check (Made to: The Community Foundation serving Southwest Colorado)

Please send sponsorship along with completed form to:

The Community Foundation serving Southwest Colorado
P.O. Box 1673 Durango, CO 81302
admin@swcommunityfoundation.org
970.375.5807

Thank you for helping to strengthen our community in Southwest Colorado!

AGENDA DOCUMENTATION

NEW BUSINESS: V.2

PAGOSA SPRINGS TOWN COUNCIL
AUGUST 4, 2015

FROM: JAMES DICKHOFF, PLANNING DEPARTMENT

PROJECT: REQUEST FROM THE UPPER SAN JUAN HEALTH SERVICE DISTRICT FOR TOWN COUNCIL TO WAIVE DEVELOPMENT FEES
ACTION: DISCUSSION AND POSSIBLE ACTION

PURPOSE/BACKGROUND

On June 9, 2015 the Town's Design Review Board approved the Upper San Juan Health Service Districts "Major Design Review" application as follows:

"APPROVE the Pagosa Springs Medical Center's Major Design Review Application submitted by the Upper San Juan Health Service District, finding the application to be in substantial compliance with the Town's adopted Land Use Development Code, contingent on the following items to be completed prior to the issuance of a building permit:

A. *Submit revised illumination plan to include; foot candle levels on neighboring properties adjacent to the property line, the proposed exterior light fixture cut sheet, line of view drawings demonstrating all light sources are shield from view from off site.*
B. *Submit written executed agreements for shared parking, vehicular access easements, and shared sign agreements.*
C. *Submit Colorado State Storm Water Plan Permit*
D. *Provide Cast Iron Truncated domes at all sidewalk ramps associated with the public trail.*
E. *Provide irrigation plan or written landscaping maintenance plan.*
F. *Provide verification on all roof top mechanical equipment being screened from view.*
G. *Provide bicycle racks.*
H. *Move the northeast fire hydrant from the future trail alignment.*
I. *Provide documentation to demonstrate that all exterior light sources are completely shielded from view from off site.*

On July 16, 2015 the Building Department received a building permit application with building plans for review.

On July 29, 2015 the Town received a formal request from the Upper San Juan Health Services District for consideration of waiving development fees associated with their proposed expansion project. Development fees associated with this project include the following:

Building Permit fee:	$30,359.40
Plan Review Fee:	$15,179.70
Impact Fees:	$39,809.00-Roads (Town Council)
	$3,736.50-Regional Public Buildings (Town Council)
	$17,413.50-Emergency Service Providers (Fire District Board)

Town Council may only consider waiving the fees they have jurisdiction over, thus the $17,413.50 Emergency Service Providers Impact Fee cannot be waived by Town Council.

BUILDING PERMIT FEES ANALYSIS

Town Council may consider waiving Building Permit and Plan Review fees based on a rational that demonstrates a special circumstance or condition finding benefit to the Town and community, to ensure a blanket precedent is not developed. Current fees assessed are: Building Permit fee: $30,359.40 plus Plan Review fee: $15,179.70 = $45,539.10. In the past, Town Council has waived a portion of Building Permit fees and Plan Review fees pursuant to the economic incentives program, for affordable housing developments and other governmental projects.

Staff's observation is the potential for setting a precedent that for future project fee waiver requests.

The Building official has estimated 40-60 hours for the building plan review and another 60-80 hours for building inspections (Depending on the Contractor) during the one year construction project. Any third party plan review expenses will be billed to the applicant for reimbursement. If fees are waived, the cost of staff time will not be paid by the applicant, and will be expended from the general fund revenues.

IMPACT FEES ANALYSIS

Article 10 of the LUDC outlines Impact Fees regulations.

10.5. ALTERNATIVE FEE CALCULATION

In lieu of payment of impact fee amounts set forth in this Article, the developer may prepare and submit to the Director a site-specific fiscal impact and fee calculation study for the development approval that is requested.

10.5.1. The site-specific fiscal impact and fee calculation study shall follow the prescribed methodologies and formats established by the Director. The fiscal impact study submitted shall show the basis upon which the site-specific fee calculation was made. The site-specific fiscal impact and fee calculation study shall be prepared and presented by professionals qualified in their respective fields.

10.5.2. The Director shall consider the documentation submitted by the developer, but is not required to accept such documentation reasonably deemed to be inaccurate or not reliable, and may, in the alternative, require the developer to submit additional or different documentation for consideration. If an acceptable site-specific fiscal impact and fee calculation study is not presented, the developer shall pay the impact fee set forth in this Article.

10.5.3. Determinations made by the Director pursuant to this paragraph may be appealed to the Board of Adjustment by filing a written request with the Town Manager within ten days of the Director's determination. Following the submittal of such request, the Board of Adjustment shall hold a public hearing to determine the amount of the impact fee, which shall be paid prior to the development approval. The decision of the Board of Adjustment shall be a final quasi-judicial decision for purposes of Rule 106(a)(4) and (b), C.R.C.P.

10.6. IMPACT FEE CREDIT FOR IMPROVEMENTS

Upon approval by the Town Council, any developer obligated to pay an impact fee shall receive a credit against the amounts due or to become due for any site-specific dedication or improvement provided by the developer to meet the same need for capital facilities for which the impact fee is imposed.

10.12. DEFERRAL

10.12.1. Payments of impact fees may be deferred for land development activities that provide public benefit to residents of the Town. The period of impact fee payment deferral shall not exceed ten years. The Town Council may, however, extend the deferral period upon consideration of extenuating circumstances. The Town Council, may, by resolution, establish a policy to ensure any deferral is granted consistent with this Section and upon terms to ensure payment.

10.12.2. As a condition of receiving a deferral of the payment of impact fees, a development entity shall be required to enter into an agreement with the Town establishing terms of deferral, which shall be recorded in the real property records of the Archuleta County Clerk and Recorder. Impact fee deferral agreements shall include the property owner's consent to the revocation of a certificate of occupancy for any building which is the subject of the deferral upon the failure to timely make a deferred payment. Deferral agreements shall also establish a lien against the property for the amount of the unpaid deferred impact fees.

Pursuant to LUDC section 10.6, "Upon approval by the Town Council, any developer obligated to pay an impact fee shall receive a credit against the amounts due or to become due for any site-specific dedication or improvement provided by the developer to meet the same need for capital facilities for which the impact fee is imposed."

Pursuant to LUDC section 10.5, Alternative Fee Calculation, the Director provides the following analysis:

The ROADS Impact fee is collected for future road improvements, the Town to Pagosa Lakes Commuter trail and the 5th Street Bridge/Road extension. The Hospital will be dedicating a 1010 lineal feet of 50 foot wide ROW (1.16 acres) to comply with the Town, County and CDOT adopted Access Control Plan. The ROW dedication is 50 feet wide along the southern property line to the western property line. This ROW dedication will accommodate a future secondary road alignment, eventually connecting South Pagosa Blvd to Meadows Drive. The roadway will be required to be improved to Town Standards at the time of the next expansion phase, up to the point the Hospital would access the ROW. It would be reasonable to consider an Alternative fee based on the calculation the approximate value of the land dedication for the future access road ROW. The approximate value of the 50' x 1,010' ROW dedication (1.16 acres) is $11,600 (based on $10,000/acre value). The Director of Planning recommends TC consider an $11,600 credit towards the Road Impact fee of $39,809.00.

The Regional Public Buildings Impact Fee is collected for a future Town Streets Department Shop Facility
The Hospital is not providing a public improvement relative to this impact Fee category. The calculated assessment for the Regional Public Buildings Impact fee is $3,736.50.

Additional public improvement includes the 535 lineal foot, 10 foot wide concrete sidewalk/trail along South Pagosa Blvd. There is not a relative Impact fee category collected for this improvement. The approximate cost of this sidewalk/trail is approximately $53,500 - $66,875.

FISCAL IMPACT
The fiscal Impact will be equal to the total of any fee waivers approved.

ATTACHMENT(S)
1) Letter of request from the Upper San Juan Health Service District to Town Council.
2) Town adopted Impact Fee schedule break down, as approved in Resolution 2013-01.

ALTERNATIVE ACTIONS FOR BUILDING PERMIT AND PLAN REVIEW FEES
1) DENY the request to waive Building Permit and Plan Review Fees.
2) Approve a 50% (or _____%) fee waiver on Building Permit and Plan Review Fees.

ALTERNATIVE ACTIONS FOR IMPACT FEE CREDITS
1) APPROVE crediting Impact Fees in the Amount of $_____ for the Road Impact fee and $_____ for the Regional Public Building Impact fee.
2) DENY crediting or waiving the calculated Impact Fees.

PAGOSA SPRINGS
Medical Center

Better health and wellness
where you live

July 29, 2015

Members of Pagosa Springs Town Council
Town of Pagosa Springs
PO Box 1859, Pagosa Springs, CO 81147

Dear Mayor and Council Members,

Upper San Juan Health Service District, a quasi-governmental special district of southwestern Colorado, requests a waiver of construction-related fees to assist Pagosa Springs Medical Center in building facilities to meet the current and future needs of the town, its residents, and visitors. (We will also be requesting a waiver of fees from the Pagosa Fire Protection District.)

The medical center, started with limited community investment, now needs broad-based support to address pressing space and capacity constraints. To date, the hospital has grown through internally generated resources. The next phase of healthcare development in Pagosa Springs will require greater community support. We believe the town and county can assist in a variety of ways that do not require traditional funding mechanisms. This waiver is one of those ways.

Such a waiver constitutes an investment in infrastructure and diversifying economic development for the town. It also supports essential community services, not unlike similar waivers provided for the construction of affordable housing. The medical center is, after all, the only medical facility that serves everyone in our community regardless of ability to pay. To keep healthcare affordable and accessible, and to support the economic engine that is our growing facility, we ask for this tangible support.

Thank you,

Brad Cochennet, CEO
95 South Pagosa Blvd.
Pagosa Springs, CO 81147

AGENDA DOCUMENTATION
OLD BUSINESS: VI.1

PAGOSA SPRINGS TOWN COUNCIL
AUGUST 4, 2015

FROM: JAMES DICKHOFF, TOWN PLANNING DIRECTOR

PROJECT: SECOND READING OF ORDINANCE 830, AN ORDINANCE OF THE TOWN OF PAGOSA SPRINGS REPEALING AND READOPTING SECTIONS 6.5.1.9(1)(U) AND 6.5.1.9(1)(V) IN ARTICLE 5 OF CHAPTER 6 OF THE PAGOSA SPRINGS MUNICIPAL CODE FOR THE REGULATION OF MARIJUANA ESTABLISHMENT PRODUCTS PURCHASED FROM OUTSIDE ARCHULETA COUNTY

ACTION: DISCUSSION AND POSSIBLE ACTION

PURPOSE / BACKGROUND

On May 02, 2015, The Town Council approved Ordinance 825, adopting regulations for marijuana Business Establishments. During the process of outlining the application forms and processes, staff has identified a regulation that may need clarification.

The purpose of Ordinance 830 is to clarify the Town's Marijuana Business Establishment regulations regarding establishments purchasing products from outside of Archuleta County as currently contemplated in Chapter 6, Article 5 of the Municipal Code, previously adopted via Ordinance 825.

On July 22, 2015, Archuleta County adopted similar defining language clarification, excluding edibles from the 70%/30% regulation.

On July 23, 2015, Town Council approved the First Reading of Ordinance 830, *"An Ordinance of the Town of Pagosa Springs repealing and readopting sections 6.5.1.9(1)(u) and 6.5.1.9(1)(v) in Article 5 of Chapter 6 of the Pagosa Springs Municipal Code, for the Regulation of Marijuana Establishment purchases from Outside of Archuleta County".*

ANALYSIS

The subject code sections adopted in Ordinance 825 currently read as follows:

6.5.1.9 Operation Limitations

(1) Licensees shall be subject to the following additional operation limitations:

Section 6.5.1.9(1)(u): That a medical marijuana center shall obtain at least 70% of its medical marijuana inventory from an optional premises cultivation operation located within Archuleta County.

Section 6.5.1.9(1)(v): That a retail marijuana store shall obtain at least 70% of its retail marijuana inventory from a retail cultivation facility located within Archuleta County.

These code sections would indicate that 70% of all products (infused edibles and flowering buds) are required to be purchased within Archuleta County. The issue with this language is that there are no infused products produced in Archuleta County, and current businesses see up to 40% of their sales from non-flowering products.

It is Staff's understanding the Town Council's intent in Ordinance 825 was to require the majority of the Marijuana plant flowers sold in the Town, be grown locally. If that is the case, staff suggests simple language changes to clarify these regulations. **Ordinance 830 proposes to repeal the current language and readopt with the following language:**

> **<u>Section 6.5.1.9(1)(u):</u> That a medical marijuana center shall obtain at least 70% of its medical marijuana "FLOWERED BUD" inventory from an optional premises cultivation operation located within Archuleta County. This local grow regulation does not include concentrates, infused or edible products.**
>
> **<u>Section 6.5.1.9(1)(v):</u> That a retail marijuana store shall obtain at least 70% of its retail marijuana "FLOWERED BUD" inventory from a retail cultivation facility located within Archuleta County. This local grow regulation does not include concentrates, infused or edible products.**

<u>FISCAL IMPACT</u>

There are expenses associated with the review of proposed code revisions by the Town's attorney.

<u>RECOMMENDATION</u>

Staff recommends the TC consider the First Reading of Ordinance 830 and the following Alternative Actions:

1) **APPROVE the Second Reading of Ordinance 830, An Ordinance of the Town of Pagosa Springs repealing and readopting sections 6.5.1.9(1)(u) and 6.5.1.9(1)(v) in Article 5 of Chapter 6 of the Pagosa Springs Municipal Code, for the Regulation of Marijuana Establishment purchases from Outside of Archuleta County.**

2) APPROVE the Second Reading of Ordinance 830, An Ordinance of the Town of Pagosa Springs repealing and readopting sections 6.5.1.9(1)(u) and 6.5.1.9(1)(V) in Article 5 of Chapter 6 of the Pagosa Springs Municipal Code, for the Regulation of Marijuana Establishment purchases from Outside of Archuleta County, with the following revisions……..

3) Deny approving the Second Reading of Ordinance 830, and provide direction to staff.

TOWN OF PAGOSA SPRINGS, COLORADO

ORDINANCE NO. 830
(SERIES 2015)

AN ORDINANCE OF THE TOWN OF PAGOSA SPRINGS REPEALING AND RE-ADOPTING SECTIONS 6.5.1.9(1)(u) and 6.5.1.9(1)(v) IN ARTICLE 5 OF CHAPTER 6 OF THE PAGOSA SPRINGS MUNICIPAL CODE, FOR THE REGULATION OF MARIJUANA ESTABLISHMENT PRODUCTS PURCHASED FROM OUTSIDE OF ARCHULETA COUNTY

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; and

WHEREAS, on November 7, 2000, the voters of the state of Colorado approved Amendment 20 enacted as Article XVIII, Section 14 of the Colorado Constitution ("Amendment 20"), which authorizes, subject to certain limitations, the medical use of marijuana by patients who have been advised by their physician, in a bona fide physician-patient relationship, that the patient might benefit from the medical use of marijuana in connection with the patient's debilitating medical condition; and

WHEREAS, Amendment 20 further provides such patients and their primary care-givers an affirmative defense, subject to certain limitations, to a state law charge regarding the use and possession of marijuana; and

WHEREAS, the General Assembly enacted the Colorado Medical Marijuana Code (C.R.S. §12-43.3-101, et seq., hereafter, "Colorado Medical Marijuana Code") to implement Amendment 20 to the Colorado Constitution authorizing the use of marijuana for medical purposes; and

WHEREAS, subsequent to the adoption of the Colorado Medical Marijuana Code, the Colorado Department of Revenue adopted 1 CCR 212-1, Series 100 through 1400, Medical Marijuana Rules; and

WHEREAS, subsequent to the enactment of the Medical Marijuana Code, Colorado voters enacted Amendment 64 to the Colorado Constitution (Article XVIII, §16 to the Constitution) authorizing specified non-medical marijuana establishments and non-medical marijuana use, now known as "retail" marijuana establishments and use; and

WHEREAS, pursuant to Amendment 64, the General Assembly enacted the Colorado Retail Marijuana Code (CRS §12-43.4-101, et seq., hereafter, " Colorado Retail Marijuana Code") governing retail marijuana establishments and use as more particularly described in the Colorado Retail Marijuana Code; and

WHEREAS, subsequent to the adoption of the Colorado Retail Marijuana Code, the Colorado Department of Revenue adopted 1 CCR 212-2, Series 100 through 1400, Retail Marijuana Rules; and

WHEREAS, pursuant to Amendment 64, and the Colorado Retail Marijuana Code, including specifically, §§12-43.4-104(3) and 309(1), municipalities may adopt regulations governing the time, place, manner and number of retail marijuana establishments, which may include a local licensing requirement, that are at least as restrictive as the provisions of the Retail Marijuana Code; and

WHEREAS, the Town Council is authorized to adopt and enforce ordinances and resolutions regarding health, safety, and welfare issues as otherwise prescribed by law, and provide for the enforcement thereof; and

WHEREAS, on May 21, 2015, the Town Council approved Ordinance 825, "an Ordinance of the Town of Pagosa Springs amending chapter 6 of the Pagosa Springs Municipal Code by the Addition thereof of a new Article 5 for the regulation and licensing of marijuana business establishments; and

WHEREAS, Town Council has determined that clarification is needed regarding Municipal Code sections 6.5.1.9(1)(u) and 6.5.1.9(1)(v), regarding the requirement to purchase at least 70% of marijuana products for resale within Archuleta County.

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

I. Repeal and Re-Adoption of Chapter 6, Article 5, Section 6.5.1.9(1)(u) and 6.5.1.9(1)(v). Chapter 6, Article 5, section 6.5.1.9(1)(u) and 6.5.1.9(1)(v) of the Pagosa Springs Municipal Code is hereby repealed and re-adopted to read as provided in Exhibit 1 attached hereto and incorporated herein.

II. **Public Inspection.** The full text of this Ordinance, with any amendments, is available for public inspection at the office of the Town Clerk.

III. **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.

IV. **Effective date.** This Ordinance shall become effective and be in force upon the approval of the second reading.

INTRODUCED, READ, AND ORDERED PUBLISHED BY TITLE ONLY 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 23rd DAY OF JULY, 2015.

TOWN OF PAGOSA SPRINGS,
COLORADO

By: _____
Don Volger, Mayor

Attest:

_____
April Hessman, Town Clerk

FINALLY ADOPTED, PASSED, APPROVED, AND ORDERED PUBLISHED BY TITLE ONLY 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 _____, 2015.

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. 830 (Series 2015) was approved by the Town Council of the Town of Pagosa Springs on first reading at its regular meeting held on the 23rd day of JULY, 2015, and was published by title only, along with a statement indicating that a violation of the Ordinance is subject to enforcement and punishment pursuant to Article 3, Chapter 1 of the Pagosa Springs Municipal Code (P.S.M.C.), and specifically Section 1.3.3, which provides for a fine not exceeding $2,650 or incarnation not to exceed one year, or both, that violation of the ordinance constitutes a public nuisance that may be abated pursuant to Article 2, Chapter 11 of the P.S.M.C., that the Town may seek injunction, abatement, or restitution in case of violation, and any other remedies provided by law or equity, and that the full text of the Ordinance is available at the office of the Town Clerk, on the Town's official website, on _____, 2015, 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 _____, 2015.

_____
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. 830 (Series 2015) was approved by the Town Council of the Town of Pagosa Springs on second reading, at its regular meeting held on the __ day of AUGUST, 2015, 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, on the Town's official website, on _____, 2015.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Town of Pagosa Springs, Colorado, this ___ day of _____, 2015.

_____
April Hessman, Town Clerk

(S E A L)

EXHIBIT 1

TOWN OF PAGOSA SPRINGS MUNICIPAL CODE

CHAPTER 6
BUSINESS REGULATIONS

ARTICLE 5
PAGOSA SPRINGS MARIJUANA LICENSING REGULATIONS

Sec. 6.5.1.9 Operation Limitations

(1) Licensees shall be subject to the following additional operation limitations:

(u) That a medical marijuana center shall obtain at least 70% of its medical marijuana "FLOWERED BUD" inventory from an optional premises cultivation operation located within Archuleta County. This local grow regulation does not include concentrates, infused or edible products.

(v) That a retail marijuana store shall obtain at least 70% of its retail marijuana "FLOWERED BUD" inventory from a retail cultivation facility located within Archuleta County. This local grow regulation does not include concentrates, infused or edible products.

AGENDA DOCUMENTATION

OLD BUSINESS:VI.2

PAGOSA SPRINGS SANITATION BOARD OF DIRECTORS
AUGUST 4, 2015

FROM: APRIL HESSMAN, TOWN CLERK

PROJECT: ORDINANCE 831, SECOND READING, AMENDING SECTION 16.4.9 OF THE MUNICIPAL CODE REGARDING ENFORCEMENT OF LODGERS TAX
ACTION: REVIEW AND POSSIBLE ACTION

PURPOSE/BACKGROUND

The Town's 4.9% lodger's tax is imposed to be collected by vendors furnishing lodging and is used to promote the town to encourage tourist to visit. It is the duty of the vendors to collect and remit the lodgers tax to the Town by the 20th day following the month in which the tax is collected. Ordinance 831 clarifies that the lodger's tax shall be a lien on the vendor's property until paid and that failure to remit such amounts may result in certification of the delinquent amounts to the County Treasurer for collection with taxes. This certification assists in guaranteeing the Town receive the lodger's tax due.

Over the past years most vendors have been respectful in submitting their lodger's reports timely. Staff tries to be courteous but firm in collecting reports and taxes on time. Vendors who do not submit in a timely manner are penalized with late fees of 10% and interest of 1% of outstanding balance.

The changes to the municipal code give staff the ability to move forward with action should a property refuse to remit their lodgers tax to the Town.

The first reading of Ordinance 831 was approved on July 23, 2015.

ATTACHMENT(S):

Ordinance 831

FISCAL IMPACT

The Town will receive estimated lodgers tax, late fees and charges within one year of certifying the amount due to the County Treasurer.

RECOMMENDED ACTIONS

It is the recommendation of Town Clerk, by motion

> **APPROVE SECOND READING ORDINANCE 831, AN ORDINANCE OF THE TOWN OF PAGOSA SPRINGS AMENDING SECTION 16.4.9 OF THE PAGOSA SPRINGS MUNICIPAL CODE REGARDING ENFORCEMENT OF THE LODGERS' TAX**

TOWN OF PAGOSA SPRINGS, COLORADO

ORDINANCE NO. 831
(SERIES 2015)

AN ORDINANCE OF THE TOWN OF PAGOSA SPRINGS AMENDING SECTION 16.4.9 OF THE PAGOSA SPRINGS MUNICIPAL CODE REGARDING ENFORCEMENT OF THE LODGERS' TAX

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 (the "Charter"); and

WHEREAS, pursuant to Section 16, Article 4 of the Pagosa Springs Municipal Code (the "Code"), the Town imposes a Lodgers' Tax; and

WHEREAS, the purpose of the Lodgers' Tax is to allow the Town to assist in the funding of services and facilities enjoyed by the visitors to the Town who reside in any lodging accommodations located in the Town or which are managed, contracted or leased by persons located within the Town, by imposing a tax to be collected by vendors furnishing lodging; and

WHEREAS, pursuant to Section 16.4.7 of the Code, it is the duty of the vendors to collect and remit the Lodgers' Tax to the Town; and

WHERAS, Section 16.4.9 of the Code provides for enforcement of the collection and remittance of the Lodgers' Tax to the Town; and

WHEREAS, pursuant to Sections 31-20-105 and 31-20-106, C.R.S., the Town may cause any or all delinquent charges, assessments, or taxes to be certified to the County Treasurer to be collected in the same manner as general taxes; and

WHEREAS, the Town Council wishes to clarify that the Lodgers' Tax shall be a lien on the vendor's property until paid and that failure to remit such amounts may result in certification of the delinquent amounts to the County Treasurer for collection with taxes.

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

1. Amendment of Section 16.4.9 of the Pagosa Springs Municipal Code. Section 16.4.9 of the Pagosa Springs Municipal Code is hereby amended to add new subsections 4 and 5, as follows:

Sec. 16.4.9. - Failure to Pay or Make Return; Remedial Action by Town.

(4) The Lodgers' Tax and the cost of collecting the Lodgers' Tax, if any, is a lien that is prior and superior to all other liens, claims, titles and encumbrances, whether prior in time or not, except for liens for general taxes, and remains a lien upon the vendor's property from the date that the Lodgers' Tax and collection costs, if any, are due until the time they are paid.

(5) The Town Clerk may, in addition to taking other collection remedies, certify due and unpaid Lodger's Tax amounts and collection charges to the Archuleta County Treasurer to be levied against the vendor's property for collection by the county in the same manner as delinquent general taxes upon such property are collected pursuant to Sections 31-20-105 and 31-20-106, C.R.S.

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

3. 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.

4. Effective date. This Ordinance shall become effective and be in force immediately upon final passage at second reading.

INTRODUCED, READ, AND ORDERED PUBLISHED BY TITLE ONLY 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 _____, 2015.

TOWN OF PAGOSA SPRINGS,
COLORADO

By: _____
Don Volger, Mayor

Attest:

_____
April Hessman, Town Clerk

FINALLY ADOPTED, PASSED, APPROVED, AND ORDERED PUBLISHED BY TITLE ONLY 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 _____, 2015.

TOWN OF PAGOSA SPRINGS,
COLORADO

By: _____
Don Volger, Mayor

Attest:

_____
April Hessman, Town Clerk

CERTIFICATE OF PUBLICATION

I, the duly appointed, qualified and acting Town Clerk of the Town of Pagosa Springs, Colorado, do hereby certify the foregoing Ordinance No. 831 (Series 2015) was approved by the Town Council of the Town of Pagosa Springs on first reading at its regular meeting held on the ____ day of _____, 2015, and was published by title only, along with a statement indicating that a violation of the Ordinance is subject to enforcement and punishment pursuant to Article 3, Chapter 1 of the Pagosa Springs Municipal Code, and specifically, Section 1.3.3 which provides for a fine not exceeding $2,650 or incarceration not to exceed one year, or both, and that the full text of the Ordinance is available at the office of the Town Clerk, on the Town's official website, on _____, 2015, 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 _____, 2015.

_____
April Hessman, Town Clerk

(S E A L)

I, the duly appointed, qualified and acting Town Clerk of the Town of Pagosa Springs, Colorado, do hereby certify the foregoing Ordinance No. 831 (Series 2015) was approved by the Town Council of the Town of Pagosa Springs on second reading, at its regular meeting held on the ___ day of _____, 2015, 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, on the Town's official website, on _____, 2015.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Town of Pagosa Springs, Colorado, this ___ day of _____, 2015.

_____
April Hessman, Town Clerk

(S E A L)

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 4, 2015
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 23, 2015 Meeting Minutes**

V. REPORTS TO BOARD

1. **PAWSD/Pipeline Update Report**

VI. NEW BUSINESS

1. **Approval of Bartlett and West Lead Project Representative Invoices**

VII. NEXT BOARD MEETING AUGUST 20, 2015 AT 5:00PM

VIII. ADJOURNMENT

AGENDA DOCUMENTATION

REPORTS TO BOARD:V.1

PAGOSA SPRINGS SANITATION BOARD OF DIRECTORS
AUGUST 4, 2015

FROM: GENE TAUTGES, SANITATION SUPERVISOR

PROJECT: PAWSD/PIPELINE UPDATE REPORT
ACTION: DISCUSSION

ADMINISTRATIVE

All Reporting tasks are up to date including certified payrolls and reports to the US Department of Commerce.

We paid a geotechnical invoice to Trautner Geothech in the amount of $2017.27 for concrete and compaction testing for the month of June. All pumps, valves, compressors, and the bulk of the piping in both pump stations are in place. Electricians are now making the connections from the various control centers to the devices.

All force main piping on the school district property has been completed with final restoration underway. The gravity portion of the pipeline was started the week of July 20th and approximately 60 feet of pipe installation and the manhole modification remain to be done.

The contractor is currently blasting and installing the PAWSD water line on Trujillo Road as it affects the travelled portion of the road more than the sewer line. They are also working on the submittal on how the lines will be pressurized and tested. Once that is accepted, and the pump stations are ready to test before decommissioning of the lagoons begins, a one week period of running the project will be required with no faults before decommissioning can begin.

I have had a couple of meetings with the contractor on the decommissioning process which should make that task go smoothly and efficiently. I am also currently reviewing the computer screen shots on the Supervisory Control and Data Acquisition (SCADA) system. This is a very critical portion of the project as it is the way we will be notified of any mechanical problems in the system. With no lagoons to give us storage time in the future, I will be putting together a Standard Operation Procedure (SOP) on what needs to occur in the event of any emergency in this regard. This task is heavily dependent on the ownership and maintenance of the facilities so those discussions and decisions are currently underway.

A separate report at this agenda is being presented on Bartlett & West LPR bills for the pipeline project.

If anyone would like a tour of the nearly completed facilities at pump station #1 or 2, please let me know and I will be happy to show you around.

Respectfully submitted,
Gene Tautges
Sanitation Supervisor

AGENDA DOCUMENTATION

NEW BUSINESS:VI.1

PAGOSA SPRINGS SANITATION BOARD OF DIRECTORS
AUGUST 4, 2015

FROM: GREGORY J. SCHULTE, TOWN MANAGER

PROJECT: INVOICES FOR BARTLETT & WEST RELATED TO LEAD PROJECT REPRESENTATIVE (LPR) DUTIES
ACTION: DISCUSSION AND POSSIBLE ACTION

BACKGROUND

In January 2012, the Pagosa Springs Sanitation General Improvement District (GID) and the Pagosa Area Water and Sanitation District (PAWSD) entered into an Intergovernmental Agreement (IGA) that speaks to various aspects of the pipeline project. Included in the IGA are provisions that detail the nature and responsibilities of a Lead Project Representative (LPR). The IGA specifies that PAWSD provides the LPR and the LPR is responsible for a variety of duties outlined in IGA Section 3 – Lead Project Representative Services (see attached). For those services provided by the LPR in connection with the GID portion of the project, the GID would be billed at a specified rate. The rate billed was approximately $30.00 per hour. The PAWSD employee initially designated as LPR was Gregg Mayo and he served in that capacity until February 2015.

In that month, Mr. Mayo left rather unexpectedly which created a considerable vacuum in the administration of the project and the performance of the LPR duties. In consultation with PAWSD management, it was concluded that having Bartlett & West (B&W), who was serving as Project Engineer, would be best qualified to serve in an interim capacity as LPR. B&W had the complete background and familiarity of the project. As a result, B&W stepped into that role almost immediately. Shortly thereafter, PAWSD began a recruitment for a new employee although they decided to recruit for a different level of employee (District Engineer instead of Project Manager). The new PAWSD District Engineer was hired in May 2015.

However, B&W, as a private engineering firm, does bill at a rate considerably higher that the approximately $30 hour being billed for Mr. Mayo so additional costs were going to be incurred by having B&W act as the LPR. B&W staff bills anywhere from $194 to $84 per hour. The challenge confronting PAWSD and GID management was how to address and split the incremental costs in an equitable manner as the IGA does not really speak to the circumstance we were trying to address. After spending quite a bit of time considering with various proposals and methodologies considered, the proposal being brought forth for the GID Board's consideration is for PAWSD and the GID to take care of their own costs associated with the incremental costs. In return for this approach, PAWSD agrees to not charge the GID for LPR costs provided by the PAWSD District Engineer from July 16, 2015 and going to the final completion of the pipeline project.

ATTACHMENTS

- PSSGID and PAWSD IGA (dated January 3, 2012)

FINANCIAL CONSIDERATIONS

The total costs owed to B&W by the GID for LPR duties provided between February through June 2015 is $49,000. We have paid PAWSD for LPR duties since February 2015 and that amount "not spent" to date is estimated at approximately $10,000. By not having to pay PAWSD for LPR services from mid-July through the end of the project is hard to calculate, but assuming it is in a final completion state at the end of November 2015, the savings are estimated at $25,000 for a total "savings" and "not spent" money at $35,000. Therefore the true incremental costs are approximately $14,000. Due to the amount in question, the Town Manager would like Council authorization for payment.

RECOMMENDATION

Possible actions by Council include:

1. ***"Move to authorize the Town Manager to pay invoices totaling $49,000 to Bartlett & West related to LPR duties for the period of February 2015 through July 2015."***

2. ***"Move to deny authorization to the Town Manager to pay the Bartlett & West invoices"***

3. ***Direct staff.***