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**TOWN COUNCIL MEETING MINUTES  
THURSDAY, AUGUST 20, 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** – None
- III. **CONSENT AGENDA**
  1. **A Proclamation Recognizing Nancy Rea for her Community Service**
  2. **Approval of the August 4, 2015 Meeting Minutes**
  3. **Approval of July Financial Statement and Accompanying Payments**
  4. **Approval of Permission for Pagosa Verde to Assess Town’s Geothermal Utility System** - The purpose of the study is to evaluate the system’s current status and the community’s needs and make recommendations for improvements in its operations, infrastructure, efficiency, service area, and overall capacity. This study by Pagosa Verde will be performed under contract between Pagosa Verde and the CEO, and the CEO will provide the findings to the Town of Pagosa Springs.
  5. **Liquor Licenses**
    - a. **Liquor License Renewal – City Market #45 at 165 Country Center Drive Pagosa Springs**
    - b. **Special Events Liquor Permit – Giving Every Child Knowledge of the Outdoors, Mountain Chile Cha Cha September 26 at the Town Park on Hermosa Street** – Council Member Schanzenbaker asked the Stone Bridge Grant be removed from consent agenda. Council Member Bunning moved to approve the consent agenda, Council Member Egan seconded, unanimously approved. Mayor Volger read the proclamation recognizing Nancy Rea for her community service.
  6. **Approval to Accept \$166,605 State Historical Fund grant for Rumbaugh Creek Stone Bridge** - Staff submitted the grant application in April 2015 for replacement of the Rumbaugh Creek stone arch bridge, located on the east end of the Lewis Street Right-of-Way. On August 6, 2015, the town received notification of a grant award for the full requested amount of \$166,605, for the estimated project cost of \$222,140. There will be a 20 year covenant restriction for changes to the bridge if this money is accepted. Defining the restriction to the bridge and not the property is desired. The acceptance of the contract and the state will reply within 30 days, bidding will be completed in October, and the project can begin depending on weather. Staff will work on a Meets and Bounds description for just the bridge structure. Council Member Schanzenbaker moved to approve accepting state historical fund grant for \$166,605 for Rumbaugh Creek Stone Bridge and clarify the contractual terms to provide direction to staff that the covenant applies to bridge and retaining walls, Council Member Egan seconded, unanimously approved.

#### IV. DELEGATIONS

1. **FireWise of Southwest Colorado – Bill Trimarco** – Mr. Trimarco explained to council the importance of FireWise in the Southwest region. He said the thinning of Reservoir Hill is a great step to reduce the risk of fire. He is working locally to promote community self assessments. He has worked with a local group to address fire concerns, this includes the Town Chief of Police and Councilor Egan. He explained that community support will assist in applying for state and federal grants to help with fire mitigation efforts.

#### V. REPORTS TO COUNCIL

##### 1. Featured Department Head Reports

a. **Building Department** – Walmart received an extension of its temporary certificate of occupancy to finish up some items. City Market is moving forward with the interior remodeling. Hometown Food Markets began remodeling the interior of the grocery store. The department issued a permit to T-Mobile to change its equipment on Reservoir Hill. Building Official, Zach Richardson, attended a meeting on July 23<sup>rd</sup> in Glenwood Springs with the Mountain Building Officials to discuss how they are working with marijuana shops as they are not referenced in the International Building and Fire Code. Staff continues to work with legal counsel to follow-up on building code violations. A demolition of a mobile home began without a project permit and, upon further evaluation, the project was positive for asbestos. All the State reporting is complete so the department issued a Demolition permit on June 26.

b. **Special Projects** – Piedra Street project deadline has been extended by 6 days due to heavy rain and unexpected delay's involving relocating of a natural gas line. The new completion date is September 6. The community center gym floor is complete and in use. The punch list items involving blemishes will be corrected by the contractor in a few months after it has had time to cure. The Town has been awarded the Colorado Lottery Starburst Award, recognizing project excellence in the use of Lottery funds on the 6<sup>th</sup> Street pedestrian bridge. A plaque will be presented at an upcoming council meeting. Mr. Bill Hudson said the light fixtures on the 6<sup>th</sup> Street pedestrian bridge haven't been installed, staff will let him know when they will be installed.

2. **Sales Tax Brief** - Revenue continues to show a good increase of +19.9% compared to May 2014. On a year to date basis for both the County and Town (January thru June), 2015 sales tax is \$625,245 (19.7%) ahead of 2014. However, part of that year to date increase includes significant collections (about \$226,000), related to back prior periods, mostly from 2014 and 2013. Without those prior period revenues, the year to date collections are up approximately 12% over 2014. Council Member Alley would like to pursue adding two new staff members for planning and courts. Council is in consensus to request staff bring back a brief to add staff in 2015. Council suggests reviewing job descriptions and staffing needs in all departments. Staff will look to put that on the September 1<sup>st</sup> agenda.
3. **Lodgers Tax Brief** – Visitor center traffic surpassed expectations during the summer with an average of 535 visitors per day. The TTC Director attended the Japanese Sales Mission in LA with over 70 Japanese tour operators in attendance. The Pacific Republic sales rep came to Pagosa and for a site visit which should help reach this market. A study of the visitor demographics for this area will be completed by Hillsdale College in Michigan and results will be present at the end of the year. Outside Magazine rated Pagosa Springs 9<sup>th</sup> in the top 16 places to live. A reduction in inventory might be a reason for the reduced lodger's tax revenue. Many long term rental properties have changed to short-term rentals causing a reduction in work-force housing. Attorney Cole is reviewing the agreement with Muni-Revs who will help educate the short-term rental properties for collection of lodgers' taxes.

#### VI. NEW BUSINESS

1. **CDC Second Quarter Status Update and Invoice Approval – Jason Cox** – Council Member Alley recused himself from discussion of this item. Mr. Jason Cox gave a brief update of the CDC's work. They have completed a business survey, worked with Mountain Connect, a broadband group, and set up a business and education conference for October this year. They are

requesting a 2<sup>nd</sup> quarter invoice of \$5,152.53 divided between the town, county, and CDC for a total of \$1,714.18 be paid by the Town. Council Member Schanzenbaker moved to accept the CDC 2<sup>nd</sup> quarter report and to approve the 2<sup>nd</sup> quarter invoice in the amount of \$1,714.18, Council Member Bunning seconded, unanimously approved.

- 2. Request for Funding from Solarize Archuleta County** - Solarize Archuleta County promotes the use of solar power and is a locally-organized community outreach effort aimed at getting a critical mass of area homes and businesses to install solar. Solarize Archuleta County is starting up this campaign soon and solar installs will need to be finished before the December 2016 deadline for homes and businesses to receive the 30% federal rebate, plus State and LPEA rebates. Mr. Gary Freirdich and Mr. Jonathan Dobson said that by receiving funding for this project it will assist in getting the seed money for moving forward with this effort. Mr. Jason Cox of the CDC suggested dovetailing this project into a larger public-private partnership on a larger scale for the community. Ms. Claudine Cmarada said that several buildings in town could benefit from solar and is very excited about this project. Council Member Egan moved to authorize the sponsorship of Solarize Archuleta County in the amount of \$2,000 to be paid from funding line item 10-77-520, Council Member Schanzenbaker seconded, unanimously approved.
- 3. Award Contract to UCAL for the Geothermal Greenhouse Construction Project** - The Town submitted an Energy Impact grant application in the amount of \$301,800 for greenhouse infrastructure, DoLA award was \$275,000. The GGP currently has secured approximately \$125,000; \$25,000 from the Town, \$25,00 from Laura Jean Musser Foundation, \$25,000 from San Juan Basin Roundtable, and \$50,000 from Colorado Water Conservation Board. With these funds and approximately \$40,000 of in-kind donations the total for a grant total of \$440,000 ensuring more than sufficient funding for the low bid from UCAL of \$380,124. The amount of the contract is \$260,715 but without any of the additives and alternates. The increased amount up to \$380,124 includes those additional additives and includes possible in-kind donations that may not be able to be fulfilled in a timely fashion. Mr. Bill Hudson asked about the grant funding. Ms. Courtney King said the group was surprised by the numbers that came in from the engineer, but explained the lower costs is due to UCAL's ability to accomplish the geothermal piping at a much lower cost than any others. Council Member Schanzenbaker moved to accept the low bid and award the contract to UCAL INC in the amount up to \$380,124.35 to perform the construction of the geothermal greenhouse project including all additives and alternates, Council Member Alley seconded, unanimously approved.
- 4. Resolution 2015-13, Establishing a High School Student Liaison to the Town Council** - The Town Council desires to create an opportunity for the youth of the community to express their opinions and concerns. The student would be selected by the School District and would serve for one term, which would more or less coincide with the school year. The School District would also determine the process for selecting the student, but invites the Town to participate on that process. It is envisioned the Student Liaison would start in Fall 2015. Council Member Alley moved to approve Resolution 2015-13, a resolution establishing a student liaison to the Town of Pagosa Springs town council, Council Member Bunning seconded, unanimously approved.
- 5. Resolution 2015-14, Amending Town of Pagosa Springs Fee Schedule** - The Town Municipal Codes permit the charging of fees for the processing of various applications and the Town desires to charge fees to recover costs for the processing and review of retail and medical marijuana establishments. The purpose for this item is to amend the adopted Town Fee Schedules to permit the charging of fees for the processing of the applications related to retail and medical establishments. Council Member Schanzenbaker moved to approve Resolution 2015-14, amending the 2015 adopted fee schedules as presented, Council Member Egan seconded, unanimously approved.

- VII. PUBLIC COMMENT** – Bill Hudson presented the cross section of the proposed Hwy 160 lane configuration on the 400 block. This includes widened sidewalks along the 400 block eliminating parking on the north side of the street. The timeframe is very short to confirm this configuration with CDOT funding.

VIII. **COUNCIL IDEAS AND COMMENTS** - None

IX. **NEXT TOWN COUNCIL MEETING** September 1, 2015 AT 5:00 PM

X. **ADJOURNMENT** – Upon motion duly made, the meeting adjourned at 7:22pm.

**Don Volger**  
**Mayor**