



551 Hot Springs Boulevard  
Post Office Box 1859  
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**TOWN COUNCIL MEETING AGENDA  
TUESDAY, OCTOBER 7, 2014  
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. **APPROVAL of MEETING MINUTES FROM SEPTEMBER 18 & 22, 2014**
- IV. **PUBLIC COMMENT – *Please sign in to make public comment***
- V. **LIQUOR LICENSE**
  1. **Liquor License Renewal – Tejas Brew Pub LLC dba Wolfe Brewing Company 2045 Eagle Drive**
  2. **Liquor License Renewal – Mountain Spirit Inc at 135 Country Center Suite B-1**
  3. **Special Events Liquor Permit – Pagosa Springs Community Facilities Coalition Festival of Trees December 5, 2014 at the Ross Aragon Community Center**
  4. **Special Events Liquor Permit – Pagosa Springs Community Facilities Coalition Indoor Tournaments November 15, 2014 at the Ross Aragon Community Center**
- VI. **NEW BUSINESS**
  1. **Ordinance 817, Accepting Real Property from the Upper San Juan Library District**
  2. **Policy Renewal with Cigna for Health Insurance**
- VII. **OLD BUSINESS**
  1. **Ordinance 816, Second Reading, Indemnifying Town Board Members and Employees**
- VIII. **PUBLIC COMMENT – *Please sign in to make public comment***
- IX. **COUNCIL IDEAS AND COMMENTS**
- X. **NEXT TOWN COUNCIL MEETING OCTOBER 23, 2014 AT 12:00PM**
- XI. **ADJOURNMENT**

**Don Volger  
Mayor**



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**TOWN COUNCIL MEETING MINUTES**  
**THURSDAY, SEPTEMBER 18, 2014**  
**Town Hall Council Chambers**  
**12:00 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. **PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE**
- III. **APPROVAL of MEETING MINUTES FROM SEPTEMBER 2, 2014** – The minutes were approved as submitted.
- IV. **PUBLIC COMMENT** – Mr. Mark Weiler said communication brings about collaboration. He thanked the town council for their time dedicated to the community.
- V. **LIQUOR LICENSE**
  1. **Special Events Liquor Permit – Archuleta County Democratic Party Central Committee Chili Supper October 3, 2014 at the Ross Aragon Community Center** – Council Member Lattin moved to approve the special events liquor permit for the Archuleta County Democratic Party Central Committee event October 3<sup>rd</sup>, Council Member Bunning seconded, unanimously approved. A special meeting to hear the application for the Mountain Chili Cha Cha event will be held Monday September 22 at 7:45am.
- VI. **NEW BUSINESS**
  1. **Preliminary 2015 Budget** - The Town of Pagosa Springs is required to prepare and adopt an annual budget by December 31<sup>st</sup> each year. The economic outlook for the Town continues to improve. It appears our community is starting to emerge from the economic downturn. A cautious approach in revenue projection assumes sales tax for 2015 will increase by 3% compared to the estimated year end for 2014, which is project to be 5% greater than the 2014 budgeted amount. The capital fund expenditures will include the completion of repaving 8<sup>th</sup> Street using funds from Impact Fees received by the Wal-Mart project. Personnel costs will increase with the 2.771% COLA application. Additional personnel in the Clerk, Court, Planning and Police Department had been requested, but exceed the current revenue projections and projected expenditures. Budget work sessions will begin in October to determine a final 2015 budget by December 31<sup>st</sup>. The general fund revenue balances with the expenditures, this preliminary budget include service organizations as funded in 2014, although service organization requests have increased \$50,000 in 2015. Town Manager Schulte said the changes to the charter in April may add civil cases to the municipal court adding additional workload. The budget versions will be posted to the website for public view.
  2. **Ordinance 816, First Reading, Indemnifying Town Board Members and Employees** - The home rule charter approved in 2003 directs indemnification by ordinance; staff has not formally followed through with an Ordinance indemnifying Town board members and employees. Ordinance 816 completes that action associated with Section 12.10: Indemnification of Personnel of the Town Charter. Council Member Bunning moved to approve first reading Ordinance 816, Indemnifying Town Boards, Commissions, Council Members and employees, Council Member Egan seconded, unanimously approved.

3. **East Phase of Commuter Trail from 8<sup>th</sup> to 10<sup>th</sup> Street** - The Ruby Sisson Library has just completed a large culvert replacement. They still need to re-vegetate along the Hwy side of the property however are reluctant to do so knowing the upcoming trail project between 8<sup>th</sup> and 10<sup>th</sup> Streets will tear up a good portion of what they plant. Due to CDOT delays, the majority of the trail project cannot occur this construction season. The project is now anticipated to go out to bid in the winter for spring to early summer construction. The library has requested the Town install the portion of the trail at their property in 2014 rather than waiting to 2015. The costs are under \$25,000 and budgeted in the 2014 budget. An additional \$23,500 was approved by the TPR for this project. The low bid was Hart Construction at \$24,852 and includes conduit for the planned lighting along the sidewalk/trail. The library has donated a 10 foot easement along San Juan Alley for a future street improvement. Council Member Schanzenbaker asked about RFP process and the ability of the lowest bid contractor to complete this year. Staff said the original engineers estimate was under \$25,000 which, per policy, required three written bids for the project, the lowest bid from Hart Construction staff was told they would be able to complete the project this season. Council Member Bunning moved to approve staff to move forward to construct the trail adjacent to the library in 2014, and further selecting Hart Construction as low bidder and awarded contractor for the project, Council Member Lattin seconded, unanimously approved. Council Member Alley would like to look at an in-house crew to complete some of the simpler construction projects; Town Manger Schulte agreed and hoped to have those discussions at the budget work sessions.
4. **Geothermal Greenhouse Partnership Project Update and Energy Impact Grant Application** - The GGP has spent considerable time in the past two years in organizing as a 501(c)3 entity and seeking funding for the development and the initial design and planning work for the construction of the geothermal greenhouses located in Centennial Park. The GGP currently has secured approximately \$125,000. Due to the Energy and Mineral Impact Assistance Funds program guidelines, it is a governmental entity that must be the applicant for the grant funds. Furthermore, it is the applicant (governmental entity) that owns whatever is purchased by the funds. The GGP would like to apply for a minimum of \$200,000 and the grants require a minimum of 25% match funding. To get the dollar for dollar match, there would need to be an additional \$80,000. It has been suggested by DOLA that a commitment to place bathrooms at the greenhouse location by the Town would help improve the chances of the application. A placeholder of \$80,000 for bathrooms has been inserted in the proposed 2015 Budget for this reason. Ms. Sally High said the GGP was organized in 2009, and DOLA has assisted with grants and help in acquiring the awards. Council Member Schanzenbaker said that if the Town is going to be owners of this project, the council needs a more hands on approach to this project. He asked for a business plan and cost estimate. Ms. Sally High said the town will own the infrastructure, hardscape and sidewalks, but the non-profit will be responsible for the greenhouses and operation of the greenhouses. The footprint of the three greenhouses, the sidewalk, and a portion of an amphitheatre will be funded by the grant awarded by DOLA. The GGP is raising funds for one greenhouse at a time, in hopes to have one dome completed when the hardscape is installed in 2015. A business plan with sustaining operations and cost structure for the domes will be presented to council and this item will be back in front of council at the mid-October meeting.

## VII. OLD BUSINESS

- I. **Ordinance 814, First Reading, Vacating Portion of 6<sup>th</sup>/7<sup>th</sup> Alley** - On July1, 2014, the applicant, Peter Adams, submitted a "ROW Vacation Application", requesting the vacation of the 6<sup>th</sup>/7<sup>th</sup> Alley between Navajo Street north to the NE corner of Lot 8x. The subject area and properties are zoned R-12, Medium Density Town Residential, which supports single family and multi-family housing up to 12 dwelling units per acre. Utility Providers have been contacted and have confirmed there are no installed utilities along the proposed ROW vacation, and there is no need to retain such utility easements along the proposed ROW vacation. Staff has conducted research which shows the north half of Piedra Street between 7<sup>th</sup> and 6<sup>th</sup> Streets as being vacated, however, the south portion of Piedra Street has not been vacated. Ms. Maria Martinez Gallegos said this vacation addresses safety. The vacation of the alley will save the town liability; she is in favor of vacation of the entire

alley all the way to her property at Navajo Street. Mr. Leroy Lucero said the whole alley should be vacated or none at all. Mr. Adams has given the town a donation of the 6<sup>th</sup> Street right-of-way that would allow the town to install sidewalks and utilities along 6<sup>th</sup> Street. Mr. Adams said he will be doing a topographical study to determine how to proceed with the lots. Access to the lots will be off of 7<sup>th</sup> Street. He is estimating homes in the low \$300's. He said without the access, the homes might be more in the lower income type building to fit on the lots. He said installation of railing to prevent falling off the cliff would be necessary. He would like to reduce the ridge height and move the houses further away from 7<sup>th</sup> Street to accommodate the grade. If all of the lots were vacated it may cost the town approximately \$1,500 if not shared with the property owners. Council Member Egan said he is in favor of the vacation, however consideration of ridgetop development should be discussed by council prior to agreeing to vacate the property. Council Member Lattin said vacation of the entire alley where Navajo dead ends at Ms. Gallegos' property should be done. Council Member Alley said there is not a usable easement or trail area on the hill and agrees cleaning up the vacations of alleys. Council Member Schanzenbaker said that vacating is a good idea, but that it should be contingent on Mr. Adams developing the property and not selling it undeveloped. Council Member Schanzenbaker moved to approve the first reading of Ordinance 814, vacating a portion of the 6<sup>th</sup> / 7<sup>th</sup> Alley public right-of-way and public utility easement between Navajo Street to the NE Corner of Lot 8x in Block 50 within the corporate limits of the Town of Pagosa Springs with the following language revision to section 6, this ordinance shall become effective and in full force upon final passage at second reading, upon the Town approving a development application and/or a building permit demonstrating the use and need of the subject alley vacation and upon the conveyance and acceptance of land from the property owner to the Town necessary to formalize a 6<sup>th</sup> Street public right of way, Council Member Egan seconded, Council Member Alley wants it to be clear that it be any developer not just Mr. Adams, Council Member Lattin said to make it contingent holds up any development on the 6<sup>th</sup> Street area, Council Member Egan suggests vacating lots 9-11 as well as alleys south of Navajo, Council Member Schanzenbaker amended his motion to include Lot 9-11 ending at Lot 11, Council Member Egan seconded, Mr. Adams said he intends to develop the property in the next two-three years but might have to sell one or two of the lots, unanimously approved. Mayor Volger said there has been a lot of work from staff, the public, and the media, he thanked them for their information and input. Staff is directed to look into vacating the rest of this alley.

2. **Ordinance 815, Second Reading, Vacating Public Utility Easements, 209 Harman Park Dr.** - The Town has received an application for a Lot Consolidation for Lots D-1, D-2, D-3 & D-4 of the Harman Park Subdivision, 209 Harman Drive, the location of the Pagosa Bible Church. As part of the Lot Consolidation, the perimeter Public Utility Easements (PUE) for Lots D-1, D-2, D-3 & D-4 of the Harman Park Subdivision are being requested to be vacated. The first reading was approved on September 2, 2014. Council Member Lattin moved to approve the second reading of Ordinance 815, an ordinance of the Town of Pagosa Springs vacating the public utility easements on Lots D-1, D-2, D-3 & D-4 as shown on the Harman Park Subdivision plat, contingent on the dedication of public utility easements on the lot consolidation plat to serve adjoining properties, Council Member Egan seconded, unanimously approved.
3. **Sales Tax Brief** - In September the Town of Pagosa Springs' sales tax revenue increased by 15.6% or \$50,979 compared to September 2014 (based on July 2014 retail sales). Total collections for both the Town and the County for the month equal \$756,331 and the Town of Pagosa Springs portion is half, or \$378,165. That is \$33,267 more than last month. The Town further splits its portion equally between the General Fund and the Capital Improvement Fund with each receiving \$189,082.

## VIII. DEPARTMENT HEAD REPORTS

1. **Community Center Report** - August 24<sup>th</sup>, the RACC will host movie night in the multi-purpose room. Our after school program for kids grades k-12 will begin on the 2<sup>nd</sup> week of October. Our focus will be to offer a free program that helps kids lead healthier lives through fitness, exercise and nutrition. RACC is currently seeking volunteers and donations for the Halloween Carnival. The Town has been working with the Coalition Board, who

oversees the community center operations, to revise the by-laws and operating agreement. The Town Council will be reviewing the coalition budget in the near future.

2. **Parks and Recreation Report** - This year's soccer season will conclude the week of Oct. 13; there are 232 local youths playing in this year's league (up 30 participants from last year), plus approximately 25 youngsters from Dulce, N.M. The youth volleyball program for ages 9-12 will be postponed temporarily due to lack of gym space in the community center this fall, but the program will be rescheduled for next spring. As a consequence, the adult basketball program, which is usually scheduled for early spring, will not be offered next year. In addition to routine parks maintenance, the parks crew will be aerating and fertilizing the turf in each of the Town parks for the final time this year in the coming weeks. Top dressing and seeding will also be occurring over the next several weeks in some of the parks. The restrooms were installed on Reservoir Hill over a two-day period in late August and were recently opened for public use. The observation deck will be complete late fall. Riverwalk repaving at the River Center is scheduled to be completed this year. A grant was awarded for tree thinning on reservoir hill with the San Juan Headwaters group. Mainly small diameters trees will be thinned and this will occur in February.
3. **Town Tourism Committee Report** – July lodging tax collections currently show an increase of 5.67% over 2013 with a few properties still outstanding. Estimated reports show the increase should be around 15% over July 2013. Year to date should be an increase of 18% or more. The visitor center lobby has been reorganized to give an open feeling as well as a kids area to allow parents to gather information. The 2015 marketing plans will focus on group travel. Fall for Pagosa scavenger hunts, event funding and holiday palooza efforts have been discussion for the 2015 budget. Council Member Bunning suggests events that are similar to other regional cities, for instance bluegrass or balloon festivals, the town holds them the week before or the week after to attract people to stay with us. Ms. Green said she will be passing the information to the TTC and event organizers. Council Member Alley asked about advertising out of state, Ms. Green said a large amount is spent in Northern New Mexico and Texas. The \$25,000 CTO grant awarded in 2014 was focused on the Dallas market with advertising and staff attending the Dallas trade show.
4. **Planning Department Report** - The Historic Preservation Board (HPB) discussed a Town Tourism Committee proposed heritage tourism brochure. The HPB rejected the proposed brochure and decided to fully engage and participate in the development of a comprehensive and accurate brochure. Staff suggested the deadline be mid-winter to ensure printed brochures are available by the summer tourism season. Staff was asked to look at the possibility of modifying the tree planters on the sidewalk along the north side of the 400 block of Pagosa Street. The streets department supervisor and parks superintendent discussed the main issue being the raised curb around the perimeter of the planters and the trip hazard they provide. They could be replaced with grates that are not raised. The streets department could do the work at a later date but are recommending hiring a contractor to do such work. Council Member Lattin said removing clutter of sandwich boards, brochure racks, etc. rather than remove the trees that may die in order to fix the tree curbs. Council Member Schanzenbaker would like to start with one curb removal to find out what is entailed. Traffic calming measures for Main Street might include speed limit signs, flags for pedestrian crossing areas, and parking space marking along the street. Pole mounted speed reader signs would be \$3,000 to \$4,500 each with solar power. The parks department will be completing the landscaping area along the 8<sup>th</sup> Street and the library. The widening of the sidewalk ramp from the overlook to the riverwalk trail would require a retaining wall which would encroach into the floodway. Staff suggests determining future plans for the overlook parking area before working on changing that ramp.
5. **Special Projects Manager Report** - Majestic Drive will begin September 22<sup>nd</sup>. Hart Construction provided a provisional construction schedule showing ground breaking on 6th Street Pedestrian Bridge began Monday Sept 15 with the bridge being set on November 18th. This schedule is dependent on favorable weather with a provision for construction delays. A Yamaguchi skate park grant application was submitted to GOCO in time for the fall grant cycle, awards will be notified in December. A request for design and construction bids for landscaping features on the welcome signs has been advertised in the newspaper and on the webpage. Staining of the Reservoir Hill gazebo is expected to be completed this fall. The special projects department is in process of closing out the riverwalk phase

2, fishing is fun and CMAQ Mag Chloride grants.

6. **Town Manager Report** – The Geothermal Authority has received formal notification from DOLA of the \$1.9 million Energy Impact Award. The Authority met in executive session to discuss deal points for the land lease with Fairway Trust for the drilling site. Staff has received a draft copy of a franchise agreement from the staff at LPEA and along with Town Attorney Bob Cole will be reviewing the draft and preparing a response on behalf of the Town. USA Communications has come forward to propose a modification to their franchise agreement related to the timing of the renewal of the required bond. After reviewing the language, both Bob Cole and I agree the language is sufficient but offered them the option of providing a letter of credit. The Transition Team continues to meet with representatives from Region 9, Ed Morlan and Laura Lewis. There was continued discussion about the re-birth of the Pagosa Springs Community Development Corporation (PSCDC). It was concluded that it was prudent hear the results of the CDC Board of Directors meeting that occurred on Sept. 10<sup>th</sup>. A new slate of Board of Directors was installed and includes: Cindi Gallabota, Mike Heraty, Mike Hayward, Sherry Waner, and Jeff Gavlinski. They join Jason Cox and Morgan Murri for a seven member Board.

IX. **APPROVAL OF AUGUST FINANCIAL STATEMENT AND ACCOMPANYING PAYMENTS** – Council Member Lattin moved to approve the August financial statement and accompanying payments, Council Member Alley seconded, unanimously approved.

X. **PUBLIC COMMENT** – Ms. Shaylynn Fitzgerald asked about lighting along the riverwalk, even landscape lighting, and light under the Hot Springs Blvd Bridge. She suggests speed bumps at the crosswalk areas to slow traffic along the Hwy. She is against allowing an off leash dog area on Reservoir Hill. She said it is against wildlife laws and issues with dog poop will become a problem. She suggests licensing all dogs and consulting a dog trainer. Mr. Bill Hudson said he published several photos of the local streets, he was not criticizing the streets crew, he was asking the council to consider putting money toward repairing them instead of adding new projects. He looks forward to seeing the GGP business plan. He said originally this private group was raising money for the project and the town was just going to donate land and hot water. Now the town is responsible for funding and taking care of the infrastructure. He doesn't like the greenhouses chosen that look beat up after five years, he said there are other manufactures of greenhouses that do not look bad.

XI. **COUNCIL IDEAS AND COMMENTS** - Mayor Volger is concerned with the safety at the 1<sup>st</sup> Street and Hot Springs Bridge, he wants to see guardrails. Council Member Lattin asked about the golf course status. Town Manager Schulte said there is not change, but possible group interested in purchasing. Council Member Schanzenbaker said the course is deteriorating. The CDOT sign is still being installed, the caisson is ready, and they are hoping to have it installed before winter.

XII. **NEXT TOWN COUNCIL MEETING OCTOBER 7, 2014 AT 5:00PM**

XIII. **ADJOURNMENT** – Upon motion duly made, the meeting adjourned at 3:33pm.

**Don Volger**  
**Mayor**



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**TOWN COUNCIL SPECIAL MEETING MINUTES  
MONDAY, SEPTEMBER 22, 2014  
Town Hall Council Chambers  
7:45 A.M.**

- I. **CALL MEETING TO ORDER** – Mayor Volger, Council Member Alley, Council Member Bunning, Council Member Egan, Council Member Lattin
- II. **LIQUOR LICENSE**
  1. **Special Events Liquor Permit – Giving Every Child Knowledge of the Outdoors**  
**GECKO Mountain Chili Cha Cha Event September 27, 2014 at Town Park** – Council Member Lattin moved to approve the special events liquor permit for GECKO Mountain Chili Cha Cha September 27, Council Member Bunning seconded, unanimously approved.
- III. **NEW BUSINESS**
  1. **Intergovernmental Review of USDA Grant Program Application by GECKO** – GECKO has applied for a USDA community facility grant program to acquire needed equipment for their many athletic events they bring to Pagosa and Archuleta County. One of the requirements for this application, the USDA requires that the grant proposal be included on an official agenda of the Town and be presented for review and public comment by the Town Council. The equipment includes timing, music, trailer, race clock, tables, barriers, and a generator. They are open to allowing others to share in the equipment with proper training and stipulations. Mayor Volger opened for public comment. Mr. Mark Weiler is a GECKO participant, Parelli is a supporter, and 1<sup>st</sup> Southwest Bank is a sponsor, he encourages the town council to sponsor this grant program. Council Member Bunning said GECKO has worked hard to provide a positive program for the community. He strongly supports the efforts of the GECKO organization. Council Member Lattin said she appreciates all the work that GECKO does for the community and the event participants.
- IV. **ADJOURNMENT** – Upon motion duly made, the meeting adjourned at 7:55am.

**Don Volger  
Mayor**



# AGENDA DOCUMENTATION

## LIQUOR LICENSES: V.

PAGOSA SPRINGS TOWN COUNCIL

OCTOBER 7, 2014

FROM: BILL ROCKENSOCK, POLICE CHIEF

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**PROJECT: LIQUOR LICENSE RENEWALS**  
**ACTION: DISCUSSION AND POSSIBLE ACTION**

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### 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. A liquor compliance check was conducted by the Police Department in May 2011 with 15 establishments holding liquor licenses within the Town limits. 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:

**Tejas Brew Pub LLC dba Wolfe Brewing Company** – Since October 2013, there were no documented police contacts at the Wolfe Brewing Company located at 2045 Eagle Drive.

**Mountain Spirit Inc** – Since October 2013, there were no documented police contacts at Mountain Spirits located at 135 Country Center Drive, Suite B-1.

### 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: VI.1

PAGOSA SPRINGS TOWN COUNCIL

OCTOBER 07, 2014

FROM: JAMES DICKHOFF, PLANNING DEPARTMENT

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**PROJECT: FIRST READING OF ORDINANCE 817, AN ORDINANCE OF THE TOWN OF PAGOSA SPRINGS, ACCEPTING THE QUITCLAIM DEED FOR REAL PROPERTY KNOWN AS THE SOUTH 10 FEET OF LOTS 1, 2, 3, 4, 5 AND 6 OF BLOCK 38 WITHIN THE TOWNSITE OF PAGOSA SPRINGS.**

**ACTION: DISCUSSION AND POSSIBLE ACTION**

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### **PURPOSE/BACKGROUND**

The Upper San Juan Library District developed a new parking lot in 2014 at the Ruby Sisson Memorial Library located at 819 San Juan Street. As part of the Planning Departments review of the project, the Planning Director worked with the Library Board and Library Staff to ensure the new parking lot infrastructure would accommodate a future Alley widening project. The Library Board and Library Staff agreed to accommodate a 10 foot strip of land along the southern portion of their 6 lots, which would eventually be utilized to accommodate the additional ROW width.

In 2009, the Town, County and CDOT adopted the Hwy 160 Access Control Plan (ACP) between 8<sup>th</sup> Street west to Vista Blvd. The ACP identifies future secondary roads adjacent to Hwy 160 and intersection improvements, in an effort to provide local traffic routes as a means to reduce traffic on the main Hwy 160 corridor. Future Developments will pay for most of the identified roadways and intersection improvements. The San Juan Alley is one of the future secondary road options available, however, the current width is only 20 feet wide, which will not accommodate road design requirements. An additional 10 feet from the Library will accommodate a future San Juan Alley roadway with two 10 foot wide drive lanes, curb/gutter and one 6 foot wide sidewalk.

### **ANALYSIS**

The Town's Home Rule Charter requires Town Council to accept real property via an Ordinance. The LUDC section requires a Minor Plat Amendment process for modifying the boundary of a lot, which is administratively processed. If Ordinance 817 is approved on second reading, Town Staff will employ a licensed surveyor to produce a Plat Amendment Mylar Plat for recordation with the County Clerk.

### **FISCAL IMPACT**

The anticipated fiscal impact to the Town is approximated at \$1,600.00 and will include:

- ~ Plat Amendment Plat: \$1,500
- ~ Recordation of the Ordinance and Plat Amendment: \$100.00

### **PUBLIC NOTIFICATION**

Public Notification will be published and posted following the approval of the first reading of Ordinance 817.

### **ATTACHMENTS**

- ~ Ordinance 817, An Ordinance of the Town of Pagosa Springs Accepting the Quitclaim Deed for the Real Property Known As the South 10 feet of Lots 1, 2, 3, 4, 5 and 6 of Block 38 within the Townsite of Pagosa Springs.
- ~ Exhibit A, Quitclaim Deed
- ~ Exhibit B, Map of property.

**RECOMMENDATION**

Staff recommends that Town Council consider accepting the real property from the Upper San Juan Library District. Alternate considerations include, but are not limited to:

- 1) "APPROVE the First Reading of Ordinance No. 817, An Ordinance of the Town of Pagosa Springs Accepting the Quitclaim Deed for the Real Property Known As the South 10 feet of Lots 1, 2, 3, 4, 5 and 6 of Block 38 within the Townsite of Pagosa Springs.
- 2) "APPROVE the First Reading of Ordinance No. 817, An Ordinance of the Town of Pagosa Springs Accepting the Quitclaim Deed for the Real Property Known As the South 10 feet of Lots 1, 2, 3, 4, 5 and 6 of Block 38 within the Townsite of Pagosa Springs, with additional contingencies.....
- 3) "DENY the First Reading of Ordinance No. 817, An Ordinance of the Town of Pagosa Springs Accepting the Quitclaim Deed for the Real Property Known As the South 10 feet of Lots 1, 2, 3, 4, 5 and 6 of Block 38 within the Townsite of Pagosa Springs.

**TOWN OF PAGOSA SPRINGS, COLORADO**

**ORDINANCE NO. 817  
(SERIES 2014)**

AN ORDINANCE OF THE TOWN OF PAGOSA SPRINGS  
ACCEPTING THE QUITCLAIM DEED FOR REAL  
PROPERTY KNOWN AS THE SOUTH 10 FEET OF LOTS  
1, 2, 3, 4, 5 AND 6 OF BLOCK 38 WITHIN THE TOWNSITE  
OF PAGOSA SPRINGS.

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, pursuant to Section 10.6 of the Pagosa Springs Home Rule Charter of 2003, the Town has full authority, power and control over all Town owned property, including streets, and including but not limited to, all power and authority to purchase such property, and section 12.19 of the Charter provides for the acquisition of property by Ordinance; and

WHEREAS, the Town Council hereby finds and determines that it is appropriate and necessary to the function and operation of the Town to accept the Quitclaim Deed attached hereto as Exhibit A, for that certain real property known as the South 10 feet of Lots 1, 2, 3, 4, 5 and 6 of Block 38 within the Townsite of Pagosa Springs, and as illustrated on Exhibit B.

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

**I. Acceptance of Quitclaim Deed.** The Quitclaim Deed, in the form attached hereto, and the property conveyed by it, is in all respects approved and accepted by the Town.

**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. Second Reading.** Second reading of this Ordinance shall be held on the \_\_\_ day of \_\_\_\_\_, 2014, at \_\_\_:00 p.m. at the Pagosa Springs Town Hall, 551 Hot Springs Boulevard, Pagosa Springs, Colorado.

**V. Effective date.** This Ordinance shall become effective and be in force thirty days after final approval.

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 \_\_\_\_\_, 2014.

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 \_\_\_\_\_, 2014.

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. 817 (Series 2014) was approved by the Town Council of the Town of Pagosa Springs on first reading at its regular meeting held on the \_\_\_ day of \_\_\_\_\_, 2014, 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 \_\_\_\_\_, 2014, 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 \_\_\_\_\_, 2014.

\_\_\_\_\_  
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. 817 (Series 2014) was approved by the Town Council of the Town of Pagosa Springs on second reading, at its regular meeting held on the \_\_\_ day of \_\_\_\_\_, 2014, 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 \_\_\_\_\_, 2014.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Town of Pagosa Springs, Colorado, this \_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
April Hessman, Town Clerk

(S E A L)

**EXHIBIT A**  
**QUITCLAIM DEED**

**QUITCLAIM DEED**

**THE SOUTH 10 FEET OF LOTS 1, 2, 3, 4, 5 AND 6 OF BLOCK 38  
WITHIN THE TOWNSITE OF PAGOSA SPRINGS.**

THIS DEED is made this \_\_\_ day of \_\_\_\_\_, 2014, between Upper San Juan Library District, whose address is PO Box 849, Pagosa Springs, CO 81147, hereinafter referred to as "Grantor" and the Town of Pagosa Springs, Colorado, whose address is PO Box 1859, Pagosa Springs, CO 81147, hereinafter referred to as "Grantee".

WITNESSETH, that the Grantor, for and in consideration of the sum of Ten Dollars (\$10.00), the receipt and sufficiency of which is hereby acknowledged, has remised, released, sold and quitclaimed, and by these presents does remise, release, sell and quitclaim unto the Grantee, its successors and assigns, forever, all the right, title, interest, claim and demand which the Grantor has in and to the real property, including the right to accept the public dedication thereof, and together with improvements, if any, situate, lying and being in the County of Archuleta and State of Colorado, described as follows (the "Property"):

**THE SOUTH 10 FEET OF LOTS 1, 2, 3, 4, 5 AND 6 OF BLOCK 38 WITHIN THE  
TOWNSITE OF PAGOSA SPRINGS.**

TO HAVE AND TO HOLD the Property, together with all and singular the appurtenances and privileges thereunto belonging or in anywise thereunto appertaining, and all the estate, right, title, interest and claim whatsoever, of the Grantor, either in law or equity, to the only proper use, benefit and behoof of the Grantee and its successors and assigns forever.

IN WITNESS WHEREOF, the Grantor has executed this Deed on the date set forth above.

GRANTOR:

Upper San Juan Library District

By: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF COLORADO )

) ss.

COUNTY OF ARCHULETA )

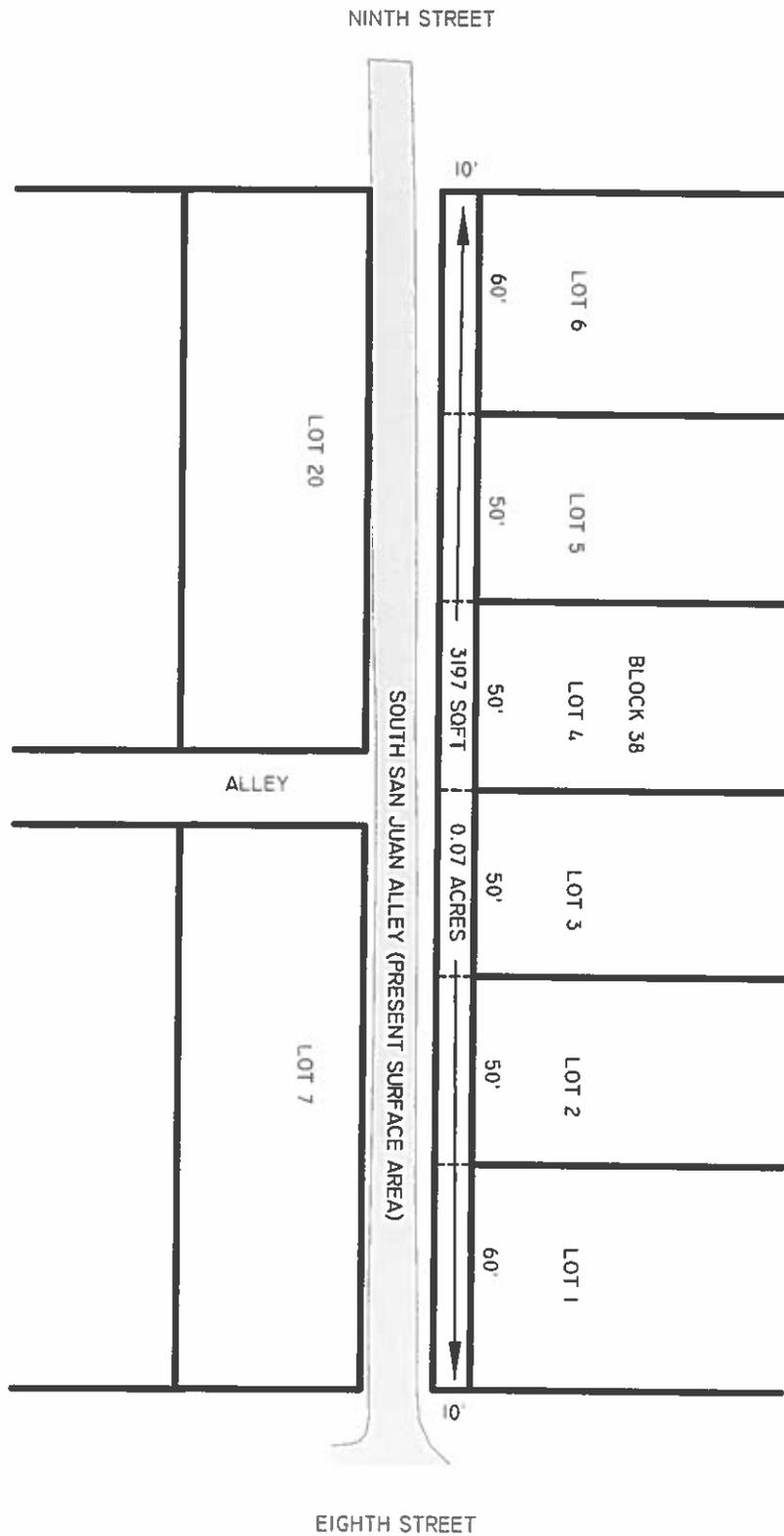
The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2014, by \_\_\_\_\_ as Grantor.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

# EXHIBIT B





## AGENDA DOCUMENTATION

### NEW BUSINESS: VI.2

PAGOSA SPRINGS TOWN COUNCIL

OCTOBER 07, 2014

FROM: APRIL HESSMAN, TOWN CLERK

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**PROJECT: RENEWAL WITH CIGNA FOR HEALTH INSURANCE**

**ACTION: DISCUSSION AND POSSIBLE ACTION**

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#### **PURPOSE/BACKGROUND**

The Town began coverage with Cigna in November 2010 after RHP1 filed bankruptcy. When Cigna stepped in they backdated our claims to help to protect our employees. Each year we have received quotes from several other companies with standard medical inflation ranging from 9%-12% per year, however Cigna continues to come in lower than the other companies with the promise of rebates depending on claims experience. During our time with Cigna, the Town has received over \$40,000 in experience credits based on our claims experience. The town is looking forward to another experience credit in 2015 due to current claims experience. Once again, Cigna has come in with lower renewal rates than the other insurance companies. This year Cigna has offered the town a 0% increase in premiums, which has never happened before. This rate can be attributed to an anticipated reduction claims and experienced negotiations between Cigna and Benefit Health Advisor who has been representing the town since 2009.

#### **FISCAL IMPACT**

The preliminary 2015 budget presented to council represents the 0% offer provided by Cigna.

#### **RECOMMENDATION**

Staff recommends that Town Council discuss and then by motion:

**Approve renewing health insurance with Cigna at a 0% increase for November 1, 2014 to October 31, 2015**

**Or**

**Deny renewing health insurance with Cigna and direct staff**



## AGENDA DOCUMENTATION

### OLD BUSINESS: VII.1

PAGOSA SPRINGS TOWN COUNCIL

OCTOBER 7, 2014

FROM: GREGORY J. SCHULTE, TOWN MANAGER

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**PROJECT: ORDINANCE 816, SECOND READING, INDEMNIFYING TOWN BOARD MEMBERS AND EMPLOYEES**

**ACTION: DISCUSSION AND POSSIBLE ACTION**

---

#### PURPOSE/BACKGROUND

During recent contract negotiations with the Town Manager it came to staffs attention that the town council after approval of the home rule charter in 2003 did not formally follow through with an Ordinance indemnifying Town board members and employees. Ordinance 816 completes that action associated with Section 12.10: Indemnification of Personnel of the Town Charter.

The Town Attorney advises approval of Ordinance 816 in order to provide Boards, Commissions, Council Members and employee indemnification by the Town for actions arising out of the normal scope of their duties.

#### FISCAL IMPACT

There is no fiscal impact

#### ATTACHMENTS

Ordinance 816

#### RECOMMENDATION

Possible actions by the Town Council include:

- 1) Approve second reading Ordinance 816, Indemnifying Town Board, Commissions, Council Members and employees.
- 2) Deny second reading Ordinance 816, direct staff to further action.

**TOWN OF PAGOSA SPRINGS, COLORADO**

**ORDINANCE NO. 816  
(SERIES 2014)**

**AN ORDINANCE OF THE TOWN OF PAGOSA SPRINGS  
REVISING AND AMENDING THE TOWN OF PAGOSA  
SPRINGS MUNICIPAL CODE TO ADOPT AN  
INDEMNIFICATION POLICY**

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 April 23, 2013, and April 22, 2014 (the “Charter”); and

WHEREAS, Section 12.10 of the Charter provides that the Town Council, by ordinance, may indemnify against expenses including attorney fees, judgments, fines and settlement amounts actually and reasonably incurred, Town personnel who, as a result of acting in good faith and in a manner he or she reasonably believed to be in the best interest of the Town, is made or threatened to be made a party to an action, suit, or proceeding; and

WHEREAS, the Town Council believes it important to the recruitment and retention of quality and loyal personnel to provide for their indemnification in a manner contemplated by the Charter;

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

Section 1. Adoption of Article 6, Chapter 2 of the Pagosa Springs Municipal Code. Article 6, Chapter 2 of the Pagosa Springs Municipal Code is adopted as follows:

**CHAPTER 6 INDEMNIFICATION**

**Sec. 2.6.1 Definitions.**

For purposes of this Article, the terms below shall be defined as follows:

- (1) **Officer:** Includes current and former elected or appointed members of the Town Council, the Mayor, elected and appointed officers of the Town, and members of boards, committees and commissions appointed by the Town Council.
- (2) **Officer or Employee:** Includes current and former Officers or Employees, authorized volunteers, and servants of the Town, whether or not compensated, elected, or appointed. The term “Officer or Employee” specifically excludes any person or organization contracting to perform services or acting for the Town as an independent contractor.
- (3) **Scope of Employment:** An act or omission of an Officer or Employee is within the “scope of employment” if it reasonably relates to the business or affairs of the Town, and the Officer or Employee acted in good faith and in a manner which a reasonable person would have believed to be in, and not opposed to, the best interests of the Town.

- (4) Act: Means the Colorado Governmental Immunity Act set forth in Article 10, Title 24, C.R.S., as amended from time to time.

#### **Sec. 2.6.2 Indemnification of Officers and Employees Under the Act.**

(1) The Town shall pay the costs and expenses actually and reasonably incurred by an Officer or Employee in connection with the defense of any allegation, action and proceeding arising out of an act or omission of such person during the performance of such Officer's or Employee's duties within the scope of such person's employment, including reasonable attorneys' fees, where the action lies or could lie in tort, including any such action brought pursuant to Federal law in any court of this State, in accordance with the Act.. As a prerequisite to such payment, the Officer or Employee must furnish the Town with an affidavit stating that the action against him is not purely personal; that, to his or her reasonable belief, the act or omission upon which the claim is based reasonably relates to the business affairs of the Town; and that the Officer or Employee acted in good faith and in a manner which a reasonable person would have acted under the circumstances and which was not opposed to the best interests of the Town. However, the Town shall not pay such judgment or settlement and shall seek reimbursement from the Officer or Employee for the actual costs of his or her defense, including actual attorneys' fees, where it is determined by a court of competent jurisdiction that: (1) the injuries did not arise out of an act or omission of the Officer or Employee occurring during his or her term of employment with the Town or within his or her scope of employment, or (2) unless otherwise expressly authorized by the Town Council in the manner accomplished or omitted, the Officer's or Employee's act or omission was willful and wanton.

(2) All claims to be paid as a result of the indemnification provided hereunder shall be paid by the Town or its insurer, except as set forth in Section 2.6.11, below. The Town shall pay judgments and settlements in accordance with the Act even if sovereign immunity bars the action against the Town.

#### **Sec. 2.6.3 Limitations on Unlawful Acts.**

The Town, acting through its Town Council, shall have absolute discretion regarding the payment of costs of defense, including reasonable attorneys' fees and any fines or penalties assessed, where a criminal action is brought against its Officer or Employee for acts or omissions occurring during his or her term of employment with the Town and within his or her scope of employment. Prior to such payment, the Officer or Employee must furnish the Town with an affidavit stating that the action against him is not purely personal; that to his or her reasonable belief the act of omission upon which the claim is based occurred within his or her scope of employment; and that he had no reasonable cause to believe his or her conduct was unlawful. The Town shall not pay such fines or penalties, and shall be reimbursed by the Officer or Employee for the actual costs of his or her defense, including actual attorneys' fees, where it is determined by a court of competent jurisdiction (a) that the alleged criminal action did not arise out of an act or omission by the Officer or Employee occurring during his or her term of employment with the Town and within his or her scope of employment, or (b) that the Officer or Employee had reasonable cause to believe his or her conduct was unlawful.

**Sec. 2.6.4 Contract or Other Actions.**

The Town shall pay the cost of defense of, and settlements and judgments against, its Officers or Employees, including reasonable attorneys' fees, where the action lies, or could lie, in contract or arises under State or Federal laws and is not governed by the Act, except for criminal actions as otherwise addressed in this Article. As a prerequisite to such payment, the Officer or Employee must furnish the Town with an affidavit stating that the action against him is not purely personal and that, to the best of his or her reasonable belief, the act or omission upon which the claim is based occurred within the scope of his or her employment. The Town shall not pay such judgments and shall be reimbursed by the Officer or Employee for the actual costs of his or her defense, including actual attorneys' fees, where it is determined by a court of competent jurisdiction that: (1) the damages did not arise out of an act or omission of the Officer or Employee occurring during his or her term of employment with the Town and within the scope of his or her employment, or (2) the Officer or Employee had reasonable cause to believe such action or contract was prohibited by law.

**Sec. 2.6.5 Notice of Action or Potential Action.**

The Town hereby incorporates the notice prerequisite to defense and indemnification of its Officers or Employees pursuant to all provisions of the Act for tort, contract or any and all other forms of action. Notice must be given to the Town by the Officer or Employee in writing within fifteen (15) days after commencement of the action or indemnification will not be made.

**Sec. 2.6.6 No Indemnification for Personal Acts or Omissions.**

In no event will the Town indemnify or pay the defense cost if it is adjudged that the Officer or Employee has acted or omitted to act primarily for personal benefit or on the basis of other improper benefit, whether or not the Officer or Employee is acting in his or her official capacity.

**Sec. 2.6.7 Settlement.**

The Town, acting through its Town Council, shall approve in writing any settlement of claims and stipulated judgments against its Officers or Employees. The Town shall not be liable for any such compromise or settlement given without its consent.

**Sec. 2.6.8 Legal Counsel.**

The Town shall obtain legal counsel to serve as counsel to the Officer or Employee unless it appears to such counsel that the interests of the Town and the Officer or Employee may be adverse. In the latter event, the Officer or Employee may select independent legal counsel, who shall first be approved by the Town. The Officer or Employee shall cooperate in all respects with the Town and its legal counsel in his or her defense. If the Officer or Employee does not cooperate with the Town for any reason, and such action results in a judgment against the Town or the Officer or Employee, the Town may elect not to indemnify the Officer or Employee or to pay defense costs.

**Sec. 2.6.9 Officer's or Employee's Costs.**

The Town shall not be responsible for costs to its Officers or Employees associated with time spent in giving depositions, testifying, or otherwise cooperating with their defense, except to the extent such compensation is required by applicable wage laws for employees.

**Sec. 2.6.10 Liability Limitations.**

The Town shall indemnify any Officer or Employee up to but not to exceed the applicable limitations under the Act for actions that lie or could lie in tort. The Town specifically reserves any defenses which are available to Officers or Employees under the Act or by common law.

**Sec. 2.6.11 Effect of Other Insurance, Bond, or Indemnification Plan.**

If the Town has insurance coverage for any act for which indemnification is provided by this Article, its coverage shall be primary. If the Officer or Employee against whom a claim reimbursable under this Article is asserted has any other valid insurance, bond, or indemnification plan available covering the loss or damage alleged against him, and the Town does not have adequate insurance coverage, and the act for which indemnification is sought is other than an action sounding in tort, such insurance, bond, or other plan will be first applied to the payment of any defense costs, attorneys' fees, or claim/judgment before the Town's resort to obtaining funds for indemnification from sources other than insurance. The obligation of the Town to indemnify and save harmless the Officer or Employee shall, in all events, exist only to the extent permitted by this Article.

**Sec. 2.6.12 Subrogation Rights of the Town.**

In the event of any payments pursuant to this Article, the Town or its assigns shall be subrogated to all of the Officer's or Employee's rights of recovery therefor against any person or entity. The Officer or Employee shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The Officer or Employee shall do nothing to prejudice such rights.

**Sec. 2.6.13 Purpose.**

The purpose of this Article is to protect Officers or Employees of the Town against personal liability for their actions taken on behalf of the Town. It is the intent of the Town that this Article be liberally construed in favor of the protection of such Officers or Employees. By the adoption of this Article, the Town does not waive its rights to claim for itself, its officers or its employees sovereign immunity as a defense to any action, or any other defense under the Act or as provided by law.

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

Section 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.

Section 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 \_\_\_\_, 2014.

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 \_\_\_\_, 2014.

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 2014) was approved by the Town Council of the Town of Pagosa Springs on first reading at its regular meeting held on the \_\_\_ day of \_\_\_\_\_, 2014, 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 \_\_\_\_\_, 2014, which date was at least ten (10) days prior to the date of Town Council consideration on second reading.

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\_\_\_\_\_  
April Hessman, Town Clerk

(S E A L)

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\_\_\_\_\_  
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, OCTOBER 7, 2014  
Town Hall Council Chambers  
551 Hot Springs Blvd  
5:00 p.m.**

- I. CALL MEETING TO ORDER**
- II. APPROVAL of MEETING MINUTES FROM SEPTEMBER 18, 2014**
- III. PUBLIC COMMENT – *Please sign in to make public comment***
- IV. OLD BUSINESS**
  - 1. TOWN/PAWSD Pipeline Update**
- V. NEXT BOARD MEETING OCTOBER 23, 2014 AT 12:00PM**
- VI. ADJOURNMENT**



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 MINUTES  
THURSDAY, SEPTEMBER 18, 2014  
Town Hall Council Chambers  
12:00 P.M.**

- I. **CALL MEETING TO ORDER** – Board President Volger, Board Member Alley, Board Member Bunning, Board Member Egan, Board Member Lattin, Board Member Schanzenbaker
- II. **APPROVAL of MEETING MINUTES FROM SEPTEMBER 2, 2014** – The minutes were approved as submitted.
- III. **PUBLIC COMMENT** – None
- IV. **NEW BUSINESS**
  1. **Preliminary 2015 Budget** – The board will adopt a budget prior to December 31<sup>st</sup>, 2014 per state requirements. The revenues for 2015 are expected to be in line with 2013 revenues since the pipeline should be mostly completed. Expenditures include a new vehicle for the collection supervisor, costs for televising and repairing collection system, and a potential annual payment to PAWSD for phase 2 of the pipeline.
- V. **OLD BUSINESS**
  1. **PAWSD/Pipeline Update** – Hammerlund continues to work on both pump stations and finishing the phase 2 pipeline tasks that remain and are being required by Archuleta County to be completed before bad weather and cooler temperatures set in. Some work on the phase 1 pipeline that does not require work in the road right of way continues, but all work on Trujillo Road and the south 5<sup>th</sup> street (school bus route) has been suspended until next year. PSSGID, PAWSD, the project engineer, and the contractor are discussing several change orders on the project, further information will be brought to the board at a later time. About 85% of pipeline is complete in Phase 2 and all but a mile of pipeline is complete on Phase 1.
- VI. **DEPARTMENT HEAD REPORT**
  1. **District Report** - The average daily effluent flow rate for August was .222 million gallons per day with no violations reported. Two settled pipe sections, one on Loma Street and the other in the north 5<sup>th</sup>/6<sup>th</sup> Alley, are slated to be excavated and repaired this year. The chamber lift station is scheduled to be completed this year after a few delays with specialty parts. The leak on the western loop of the geothermal system was repaired a couple of weeks ago and the geothermal system is now up and ready for the current heating season.
- VII. **APPROVAL OF AUGUST FINANCIAL STATEMENT AND ACCOMPANYING PAYMENTS** – Board Member Bunning moved to approve the August financial statement and accompanying payments. Board Member Egan seconded, unanimously approved.

**VIII. NEXT BOARD MEETING OCTOBER 7, 2014 AT 5:00PM**

**IX. ADJOURNMENT** – Upon motion duly made, the meeting adjourned at 3:48pm.

DRAFT



# AGENDA DOCUMENTATION

## OLD BUSINESS:IV.1

PAGOSA SPRINGS SANITATION BOARD OF DIRECTORS  
OCTOBER 7, 2014

FROM: GENE TAUTGES, SANITATION SUPERVISOR

---

PROJECT: TOWN/PAWSD PIPELINE UPDATE  
ACTION: DISCUSSION

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As you know, this is a joint project which incorporates a town sewer line and a PAWSD waterline with multiple funding sources. It was put out to bid to a single contractor doing both at the same time. The path that the sewer line takes has very little effect on Trujillo Road as it is located off the paved portion of the roadway. It could be installed now, but that is not how the contractor bid the project. However, the waterline, which by state regulation, must be a minimum of 10 feet away from the sewer line, has a great negative effect on Trujillo Road and will require a great deal of restoration work. We will be watching closely to ensure that only costs related to the sewer line are invoiced to the PSSGID.

At this time of year, it would be impossible to clear, blast, excavate, install, backfill, compact, and put Trujillo Road back to county specifications. That is why the remainder, approximately 1.5 miles of pipeline has been delayed until next year.

The following progress update highlights from the construction meeting minutes of 9/28/14 include:

Backfilling of Pump Station #2 has started.  
Removing the deck forming on Pump Station #1 has begun  
Force main has been extended from Trujillo Road through the Quintana and Martinez properties

In the next couple of weeks, the following is scheduled to occur:

Pavement restoration in affected areas of Phase 2 of the project  
Complete backfill of PS #2  
Start exfiltration test on PS #1  
Continue from Martinez property to School District property  
Gravity sewer from PS #1 to S. 5<sup>th</sup> street gate

**Note:** Trujillo Road from 110+00 to 35+00 (Quintana property to transfer station and down steep hill to near Cordova's) will be done next year, approximately 1.5 miles. (See above)

Request for information 121 Centurylink Charges-changed to proposed change order 5.

### Pending Change Orders (PCO):

- PCO2-Alignment change-18+11-31+00-Hammerlund is not satisfied with Bartlett & West's decision and has **requested mediation**.
- PCO3-Alignment change-45+00-55+00-Response sent this morning.
- PCO5-Centurylink costs- Hammerlund is not satisfied with Bartlett & West's decision and has **requested mediation**. Gregg has talked with Centurylink in an attempt to get the costs reduced for Hammerlund, and should know something this afternoon.
- PCO6-Trujillo Rd. Notice of Delay and Related Cost Impacts-Hammerlund to forward in the future, **a 4 faceted claim involving alleged costs incurred due to non-availability of easements, discriminating and unreasonable delay in regards to timely consideration of drilling and blasting of trench rock, avoidance and untimely responses to addressing a feasible Trujillo Road repair solution and unwillingness to acknowledge or administer the "unit price base" contract.**

**Change Orders:**

- CO1-\$43,022.14
  - Lift Station 2 Electrical Service Costs- Hammerlund is not satisfied with Bartlett & West's decision and **has requested arbitration.**
- CO2-\$28,703.21
  - Relocation of LS2-\$9,856.00
  - LS2 electrical costs-\$13,263.09 (Costs to date. Balance to be determined at time of meter set request)
  - PAWSD standby time and equipment for 6/25/14 @ LS18 \$700.72
  - Dichoso County labor \$4,383.40
  - 5 year weed treatment for uncertified straw \$500.00 quoted by PLPOA

**Note:** In the General conditions there is a section regarding dispute resolution. Then, in the special conditions, which override the general conditions, the dispute resolution option was removed. Staff has been working with the parties involved to come to some form of agreement.

**Other Business;**

- Gene clarified with Hammerlund that there is a possibility of getting the gravity sewer line in on S. 5<sup>th</sup> St. yet this year. Hammerlund also confirmed that power will be needed in 2014.

PSSGID progress report. Now that power is being requested at Pump Station #2, I have contacted LPEA to get on their construction schedule and have demolished the small concrete block building which was in the path of the power line. Hammerlund will begin the gravity sewer installation from Pump Station #1 upstream to the locked gate at the end of south 5<sup>th</sup> street the week of 9/29/14. The last 200 or so feet may be delayed until next year, but if done this year, contact has been made with the school district to ensure the safe flow of traffic for the school busses will not be impeded.

Respectfully submitted,  
Gene Tautges, Sanitation Supervisor