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**TOWN COUNCIL MEETING MINUTES
TUESDAY, NOVEMBER 4, 2014
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 Schanzenbaker
- II. PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE**
- III. APPROVAL of MEETING MINUTES FROM OCTOBER 23 & 29, 2014** – Council Member Alley moved to approved the minutes, Council Member Egan seconded, unanimously approved.
- IV. PUBLIC COMMENT** – Mr. Bill Hudson said the Town streets are in poor shape. He also said the Town has spent up to \$4 million on the community center and would like the council to look at the center’s budget. He said there is another non-profit that is coming to the town for a subsidy that may not be able to take care of the infrastructure down the road leaving the town to take care of it.
- V. LIQUOR LICENSE**
 - 1. Liquor License Renewal – Springs Resort LTD dba Pagosa Resort & Spa at 165 Hot Springs Blvd.**
 - 2. Liquor License Renewal – Slingerland LLC dba DSP Pizzeria at 100 Country Center Dr. Suite C** – Council Member Alley moved to approve the liquor license renewal for Springs Resort LTD dba Pagosa Resort & Spa and Slingerland LLC dba DSP Pizzeria, Council Member Schanzenbaker seconded, unanimously approved.
- VI. NEW BUSINESS**
 - 1. Fiber Optics Lease Agreement with USA Communications** - In 2010, the Town of Pagosa Springs and Archuleta County participated in a grant application with several other cities and counties in southwestern Colorado to establish a fiber optics network known as “SCAN,” or Southwest Colorado Area Network. Recently, the Town and County were approached by USA Communications to lease a 900 foot portion of our fiber to connect from Hwy 160 to Pagosa Springs Medical Center. If approved the cost would be \$125 per month with half remitted back to the County for their portion. Council Member Bunning moved to approve the fiber optic lease agreement between the Town of Pagosa Springs and Archuleta County and USA Communications, Council Member Egan seconded, unanimously approved.
 - 2. Letter of Support For Downtown Colorado Inc.’s USDA Grant Application** - Downtown Colorado, Inc. (DCI), is requesting the Town provide a letter of support for a USDA grant application they are submitting. Grant funds received will help lower costs for communities participating in the community assessments and utilizing DCI’s technical assistance services. Council Member Schanzenbaker moved to approve the proposed letter of support for the Downtown Colorado Inc.’s USDA Rural Development's Rural Community Development Initiative 2014 fall grant cycle, Council Member Bunning seconded, unanimously approved.
 - 3. Letter of Support for the Land, and Water Conservation Fund Program** - The Town recently received a request from the Land and Water Conservation Fund (LWCF) program, requesting the Town provide a letter of support to Senators Udall and Bennet, supporting the re-authorization of the LWCF program with full funding for the program. Land and Water Conservation Fund program dollars are administered through the State Trails grant program. The Town recently received \$100,937 for the new river walk extension project from State Trails. A good portion of

State Trails Grant funding comes from the LWCF. Council Member Egan moved to approve the drafted letters of support to Senators Udall and Bennet, supporting the re-authorization and funding for the Land and Water Conservation Fund, Council Member Schanzenbaker seconded, unanimously approved.

- 4. Noise Ordinance Variance for Geothermal Drilling Project** - The Town recently received a request for a “Permit for Relief from Noise Ordinance Provisions” (Permit) from Pagosa Verde regarding the drilling operation for one of their thermal gradient wells that will occur in Town Boundaries, just south of the School District’s Transportation Facility on school district property. The drilling operation is expected to begin sometime between late November and December and is expected to last 1 week and be conducted 24 hours a day. Lighting will also be used for night drilling and will comply with Town lighting code, ensuring the lighting is directed on the site drill only. Pagosa Verde has received permission from the school district contingent on the drilling operation being suspended during scheduled exams. The applicant is claiming an undue hardship due to increase in cost if limited to the allowable times of day for construction noise. Ms. Kirsten Skeehan said the drilling timeframe for the area south of the bus barn will be just one week 24 hours per day. Council Member Egan asked about public notice and said that in the future public notice should be required as part of the code. Council Member Bunning moved to approve a Noise Permit for the Pagosa Verde Temperature Gradient Well 6 drilling operation for a period of 1 week beginning at the commencement of drilling expected to begin late November or December 2014, Council Member Schanzenbaker seconded, unanimously approved.
- 5. 2015 Budget** - The town council meeting adjourned at 5:32pm to hold the sanitation district meeting. The town council meeting reconvened at 5:45pm. During the budget work sessions, it was noted that the legal expenses for the Town has grown over the years. The questions was posed as to whether it might be feasible for the Town to bring legal representation in-house rather than continuing to contract it out to Collins, Cockrell, and Cole. Fees spent by the Town range from \$74,000 to \$144,000 per year over the last five years. Archuleta County budgets over \$200,000 for their staff attorney and support staff. The county budgets for outside counsel due to the variety of circumstances the attorney may face. Council Member Schanzenbaker said that the ability to have real time legal advice during meetings is currently missing. Council Member Bunning said that past staff was allowed to contact legal council without authorization; the current staff has to bring concerns to the town manager prior to incurring legal costs. Mayor Volger said that the council needs to evaluate the pros and cons of hiring a staff attorney or part time counsel. Staff will review and bring more information back to council during the 2015 year for possible changes in 2016. Council Member Schanzenbaker moved to direct staff to investigate the feasibility of various legal counsel options, Council Member Bunning seconded, unanimously approved. The courts have asked to budget \$7,700 for off-duty officers to provide court security. A fee could be implemented to offset the security costs. The proposed fee would be approximately \$18. Council Member Schanzenbaker moved to affirm the currently proposed allocation of funding for court security in the amount of \$7,700, Council Member Bunning seconded, unanimously approved. Council Member Bunning directed to staff to look into the feasibility of court security fees, Council Member Alley seconded, unanimously approved. Staff has requested additional staff positions for records/human resource clerk, police officer, associate planner, deputy court clerk, and a parks use administrator. The need for the parks coordinator came about from several sources, the group discovered that the parks department was the appropriate department to oversee this seasonal position. Council Member Schanzenbaker would like to make sure this position has proper oversight. Council Member Egan moved to add the parks use administrator to the preliminary 2015 budget, Council Member Bunning seconded, unanimously approved. Town Manager Schulte suggests not increasing the budget revenue projections at this time; he also said that budgeting for ongoing staff out of reserves is not a good idea. Town Manager Schulte said the additional police officer position might be delayed until the two current positions are filled. Council Member Bunning agrees with waiting on adding a new police officer. He agrees with waiting on the deputy court clerk position as well due to the unknown amount of civil cases that court may see. He said the associate planning position seems to be primarily segmented to the historic board. He said the clerk’s office may be the one position he sees being needed. Council Member Alley said the associate planner need may be allocated to Scott Frost and Margaret Gallegos. Council Member Schanzenbaker supports hiring planning department staff to finish just certain projects. Council Member Egan said there is a significant

increase in business for the town. Council Member Egan moved to table the staff budgeting requests until 2015 when it may be more appropriate to review, Council Member Schanzenbaker seconded, Council Member Alley would like to look at hiring a person part time just to get the projects completed, Mr. Mark Weiler said the Town has large reserves and said the Town is not investing in the community with those reserves. He said he recently made a planning request and the planning department handled it brilliantly. Mayor Volger called for a vote, Council Member Egan's motion failed unanimously. Mayor Volger said the court and police positions could be held off until the need is apparent, he suggests looking at any new positions mid-year or plan to reduce the amount of carry over in the general fund reserves. Town Manager Schulte said currently the budget is balanced with the exception of \$30,000 for economic development from reserves. Council Member Alley suggested going into reserves and telling those people they get only one year of work depending on the revenue receipts in 2015. Council Member Bunning doesn't want to hire someone and then not be able to afford the position an additional year. Council Member Schanzenbaker moved to direct staff to bring the requests for an associate planner and records/human resources clerk to the mid-month November meeting to hear the department requests again and provide financial options should council decide to add one or both of those positions, Council member Alley seconded, motion carried with one nay (Council Member Bunning). Town Manager Schulte said some additional items like fireworks and employee benefits also need to be discussed.

- VII. PUBLIC COMMENT** – Mr. Bill Hudson had asked about an agreement between the GGP and the Town at the last meeting. He would like to see a written agreement before large amounts of money is invested into the GGP project.
- VIII. COUNCIL IDEAS AND COMMENTS**
- IX. NEXT TOWN COUNCIL MEETING NOVEMBER 20, 2014 AT 12:00PM**
- X. ADJOURNMENT** – Upon motion duly made, the meeting adjourned at 7:35pm.

Don Volger
Mayor