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TOWN COUNCIL MEETING MINUTES TUESDAY, SEPTEMBER 2, 2008 5:00 P.M.

- I. CALL MEETING TO ORDER** – Mayor Aragon, Council Member Atkinson, Council Member Cotton, Council Member Holt, Council Member Jackson, Council Member Pierce, Council Member Weiler
- II. APPROVAL of MEETING MINUTES FROM AUGUST 5 and AUGUST 28, 2008** –
Minutes were approved as read
- III. LIQUOR LICENSES**
 - 1. New Hotel and Restaurant Liquor License Application – The Getaway LLC, DBA The Plaza Grille located at 27B Talisman Dr. Unit 4** – Council Member Cotton moved to approve the new liquor license application, Council Member Jackson seconded, unanimously approved.
 - 2. Liquor License Renewal – Ramon’s Restaurant LLC**
 - 3. Liquor License Renewal – Mountain Spirits Inc** – Council Member Jackson moved to approve the liquor license renewals, Council Member Weiler seconded, unanimously approved.
 - 4. Special Events Liquor License – Mary Fisher Foundation** – Council Member Pierce moved to approve the special events liquor license, Council Member Jackson seconded, unanimously approved.
- IV. DELEGATIONS** - none
- V. NEW BUSINESS**
 - 1. Blue Sky Village Sketch/Preliminary Subdivision Request** – The applicant, Prime Property Investment of Colorado LLC, represented by Russell Engineering, Inc, is requesting the concurrent sketch/preliminary review of a subdivision consisting of approximately 96 acres. The project includes 40 single family residential lots, 12 multi-family residential lots, 2 commercial tracts on 16 acres and 19 acres of open space. The planning commission reviewed this project on August 26th and recommended approval with eight conditions; (1) dedicate a pedestrian access easement; (2) pay land dedication in lieu fee based on the other required 8% LUDC; (3) address issues with Army Corps of Engineers; (4) relocate Tierra del Oro Drive into the appropriate right-of-way; (5) initiate the inclusion process in the sanitation district; (6) pay PAWSD subdivision review fees; (7) address plat issues per staff and County Surveyor comments; (8) address inconsistencies with codes and covenants per staff comments. Ms. Connie Prunty explained she reviewed the Blue Sky Village plans and feels it doesn’t change the view and it would be foolish not to approve the project. Council Member Holt would like to add (1) make affordable housing a condition and (2) proven compliance with CDOT regarding access off Hwy 84. Ms. Nancy Lauro explained that a traffic study has been completed and they will comply with CDOT once again. Mr. Carl Valldejuli said the affordable housing issue can certainly be added and said that the annexation agreement includes the affordable housing requirement. Council Member Weiler would like the open space be managed by a responsible open space manager. Ms. Nancy Lauro showed the open space area and explained that eventually the land would be turned over to the home owners association. Mr. Carl Valldejuli said the homeowner is responsible to landscape according to association and the wetlands are operated by the Army Corps. Council Member Cotton moved to approve the Blue Sky Village Sketch/Preliminary Plan, to include the eight (8) conditions as recommended by the Planning Commission and the additional two (2) conditions recommended by council, Council Member Holt seconded, unanimously approved.
 - 2. Ordinance No. 720 (First Reading) – Annex property known as ‘Blue Sky Village’** – At the June 19, 2008 meeting the Council approved Resolution No. 2008-14 initiating proceedings for annexation, subsequently Resolution No. 2008-19 verifying eligibility was approved by Council at the August 5, 2008 meeting. The proposed annexation includes seven (7) tracts of property comprising six (6) right-of-way tracts held under CDOT ownership and an approximate 96 acre tract know as Blue Sky Village. The proposed annexation is identified as a ‘serial flagpole annexation’ as right-of-way will be annexed and used to establish the required continuity. Staff clarified that 10% of total project is set for affordable housing based on residential and commercial, not just residential units. Council Member Atkinson would like to base the 10% of affordable housing on both

commercial and residential. Council Member Holt read the annexation agreement which says developer provide on site 10% of affordable units and feels the 10% of units in affordable housing total, including some on site or off site. Council Member Pierce would like to include funds to improve transportation or roads if necessary. Council Member Holt moved to approve the first reading of Ordinance No. 720, Blue Sky Village Annexation with the change to include a mandatory 10% affordable housing language either on or off site and expand upon the real estate transfer fee funds, Council Member Pierce seconded, unanimously approved.

3. **Ordinance No. 721 (First Reading) – Zoning property known as ‘Blue Sky Village’** – This ordinance assigns base zone districts to the property known as the ‘Blue Sky Village Annexation’. The zoning request identifies a portion of the western 48 acres as D-3 District, Corridor Business; the northern portion of the property as A-District, Single-Family Residential; and the remaining acreage as B-1 District, Multiple Use Residential. The planning commission reviewed and unanimously recommended approval. As proposed, a portion of the zoning is not in conformance with the Future Land Use Plan and Comprehensive Plan. A portion of the proposed B-1 District, Multiple-Use Residential category is located within the eastern 48 acres of the property designated as ‘Rural Residential’ in the Comprehensive Plan. Densities and land uses are not compatible between the B-1 District (LUDC zone district) and ‘Rural Residential’ (Comp Plan) classification. Council Member Jackson moved to approve the first reading of Ordinance No. 721, zoning property known as the ‘Blue Sky Village Annexation’, Council Member Pierce seconded, unanimously approved.
4. **Levine Annexation Presentation and Discussion** – The Town received a letter/application dated August 14, 2008 from Russell Engineering, Inc. on behalf of Fairway Land Trust requesting annexation and zoning for the Levine property. The applicant has requested the opportunity to present and discuss the proposal with council prior to commencement of the annexation proceedings. Staff has forwarded the draft annexation agreement associated with this project to Town legal counsel for review based on a number of potential legal issues associated with this document. Staff will forward the annexation petition and resolution of intent to council for review upon receipt of comments from legal counsel. The proposed consists of approximately 560 acres. Mr. Levine being unavailable, this item will be scheduled for the next meeting.
5. **Executive Session per C.R.S. Section 24-6-402(2)(f) in regards to Applicants for Town Manger Position** – Council Member Pierce moved to go into executive session for discussion of a personnel matter under C.R.S Section 24-6-402(2)(f) and not involving any specific employee, Council Member Holt seconded, unanimously approved at 5:47pm. Mayor Aragon declared the meeting back in session at 6:05pm. Council Member Pierce moved to select Alan Lanning, Todd Parton, and Steve Golmar as the finalists for the town manager position to be interviewed on September 11th, 2008, Council Member Atkinson seconded, unanimously approved.
6. **Resolution 2008-25, Approving the Hiring of a Town Clerk** – At the August 28, 2008 meeting, the Council approved the appointment of April Hessman as the acting clerk to the Town Council. Since that meeting staff has worked with Ms. Hessman to determine salary and other terms as a prelude to hiring Ms. Hessman as the Town Clerk and PSSGID Board secretary. Council Member Weiler moved to approve Resolution 2008-25, approving the hiring of April Hessman as Town Clerk, Council Member Atkinson seconded, unanimously approved.

VI. OLD BUSINESS

1. **Ordinance No. 717 (second reading) adopting a Code of Ethics Ordinance No. 712** – The adoption of Amendment 41 to the Colorado Constitution, prohibiting government official and employees, and their spouses and dependent children, from receiving more than \$50 worth of gifts in a calendar year, with certain limitations, the town legal counsel has advised the town to adopt an Ethics Code. Council Member Pierce has some concerns regarding the costs of attorney fees should a conflict come about. Council Member Atkinson moved to approve the second reading of Ordinance No. 717, adding Article 4, Chapter 2, Code of Ethics to the Pagosa Springs Municipal Code, Council Member Holt seconded, motion carried with two nays (Council Member Cotton and Council Member Pierce).
2. **Ordinance No. 718 (Second reading), Amending Loitering** – This ordinance changes the existing ordinance so that the officer who issues a warning is not the only officer who can charge a violator and “aggressive begging” can be charged without warning. Council Member Pierce moved to approve the second reading of Ordinance No. 718, Amending Section 21.10.4 of the Town of Pagosa Springs Municipal Code Regarding Loitering, and amend the ordinance to include April Hessman’s name as Town Clerk, Council Member Weiler seconded, unanimously approved.
3. **Ordinance No. 719 (Second reading), Adopting Prohibited Acts in Town Parks, Playgrounds and Recreation Facilities** – The ordinance based on a similar one used in Durango will allow for improved management of parks, playgrounds, and recreational facilities. The new ordinance clarifies issues related to overnight use, cleaning up after pets, driving and parking, building/setting up unauthorized structures, unauthorized vending/peddling, etc. Council Member Pierce moved to approve the second reading of Ordinance No. 719, Adopting Section 14.2.5 of the Town of Pagosa Springs Municipal Code, regarding Prohibited Acts in Town Parks, Playgrounds, and Recreational Facilities

and also noting correcting Town Clerks name to April Hessman, Council Member Holt seconded, unanimously approved.

VII. DEPARTMENT HEAD REPORTS

- 1. Town Tourism Committee Report** –Dianne Calderon reviewed the last TTC meeting minutes including increases in website traffic and requests for visitor packet information. The TTC has hired Barnhart to produce a marketing plan and assist with public relations. They will continue to work on further refinements of a new logo for the town. Two board positions are available on the TTC with application until mid-September.
- 2. Parks and Recreation Department Report** – The improvement to Reservoir hill are still regarded as priorities; restrooms, water, expanded hiking trails, better signage/more information on availability, improved parking and dedicated areas for winter activities. Youth soccer season begins with over 240 participants. Jim Miller continues to recover from a hand injury and should be back to full speed within the next few weeks. The \$9,000 filtration system for the sports complex pumping facility has been split with the school district. The “Pick Up Pagosa Country” anti-litter/pro-recycling campaign is in full swing. Signs are being erected throughout the community. The Sports Complex Phase II is between 50 & 60 percent complete, the project is scheduled to be completed in mid-September and the Town may seek liquidated damages if the project does not hold to schedule.
- 3. Planning Department Report** – A vacancy still exists on the Historic Preservation Board, and a new façade enhancement program has begun. Module 2 of the draft code has been finalized by Clarion & Associates and copies will be forwarded to the Advisory Committee for review. The Town to Lakes Trail project in conjunction with the County is moving along with staff working with property owners along this proposed trail alignment to secure necessary easements. A number of annexation petitions are in various stages of processing including, Goodman, Blue Sky Village, Blue Sky Ranch, and Reservoir River Ranch (Levine).
- 4. Interim Town Manager Report** – The June sales tax figures represents a monthly increase, however the town has an overall decrease of .07% year-to-date. A monthly revenue/expenditure report to help track trends in the town’s budget more accurately will be provided to council via email on a monthly basis. Capital improvement projects are going well including Sports Complex and Lewis Street. A small group to create a policy to use Lewis Street as a festival street is needed if Council agrees. Staff is working to review impact fees with EPS. Pinon Lake fountain was installed in 2006 to become a private/public partnership to include electric bills, Wynham and the Pagosa Lodge has agreed to pay a monthly fee for the fountain to continue to run. The town would be responsible for approx. \$180 in costs. PLPOA is also interested in helping to pay for the fountain. Council has suggested LPEA be approached to help pay. Council Member Atkinson is not supportive of the fountain because of the evaporation and utility use. Mayor Aragon believes the fountain was installed for aesthetic appeal and believes it has a benefit to the Town. Mr. Chacey believes there is tremendous feedback from visitors, and says it helps aerate the water for better ecological balance, and offered to contribute \$50 per month. Staff will attempt to secure contributions from the community. Staff has contacted REP with regards to the possibility of them operating outside of their contract. The response from REP states they had a verbal contract with the previous town manager to continue the work on an hourly basis. Council Member Atkinson asked to continue this discussion at the October 7th meeting. Staff has been asked to perform an appraisal on the Watters property for approximately \$2,000. Council Members Holt moved to proceed with the appraisal of the Watters property, Cotton seconded, unanimously approved. Council Member Weiler asked regarding invoices that were paid if they were budgeted. This includes service providers who we may not have a contract for, nor the overages that may be impacted. Council Member Weiler suggests having the town manager approve in writing the payments requested, the budgeted amounts, and if the work has been completed. Tamra Allen has put in her letter of resignation effective October 17th or when the new Town Manager is in place.

VIII. APPROVAL OF BILLS – Council Member Atkinson moved to approve the bills and with the addendum that Torry Hessman’s paycheck is overseen and approved by the Town Manager, Council Member Pierce seconded, motion carried with one nay, (Council Member Weiler).

IX. ADJOURNMENT – Upon motion duly made, the meeting was adjourned at 6:47pm

Ross Aragón
Mayor

**PAGOSA SPRINGS SANITATION
GENERAL IMPROVEMENT DISTRICT MINUTES
TUESDAY, SEPTEMBER 2, 2008
5:00 P.M.**

- X. CALL MEETING TO ORDER**– Mayor Aragon, Council Member Atkinson, Council Member Cotton, Council Member Holt, Council Member Pierce, Council Member Weiler
- XI. APPROVAL of MINUTES FROM AUGUST 5 and AUGUST 28, 2008** – Minutes were approved as read.
- XII. DELEGATIONS** - none
- XIII. NEW BUSINESS**
- 1. Carpino Request to suspend payment of increased sewer fees for the property located at 164 South 7th Street** – Betsy Carpino is requesting special consideration for her property at 164 South 7th Street at which a previous structure was recently lost in a fire in January. She is requesting that her rate remain at \$67.50 instead of the increased rate of \$112.50 due to her service not being in use. The PSSGID Rules and Regulations dictate that property owners “reserve” their connection through the payment of the quarterly fees which ensures the customer will not have to pay the plant investment fee when service commences. Ms. Carpino is currently running a small garden but would like to keep her tap until a new building is constructed. Council Member Pierce moved in accordance with the Sanitation District rules and regulations to not suspend payment of increased sewer fees for Ms. Betsy Carpino, Council member Weiler seconded, motion carried.
 - 2. Resolution 2008-05, Method of Collection of Delinquent Fees and Charges** –Staff would like to change the process by which delinquent fees and charges are collect by certifying the delinquent fees to the County Treasurer. Currently the PSSGID uses the town’s prosecutor to collect outstanding service fees and fines from customers which may result in a lien on the property that does not guarantee payment back. This new method will expedite collection as well as decrease the attorney costs. Council Member Holt asked what happens if a property owner contests the property tax bill. Staff will bring the procedure back to council. Council Member Holt moved to approve resolution 2008-05, Certifying delinquent wastewater fees and charges to the County Treasurer, Council Member Cotton seconded, unanimously approved.
 - 3. Direction in regards to Decommissioning of Existing of Wastewater Treatment Plant** – The Colorado WQCD District Engineer, Greg Brand, has requested that the PSSGID allocate funds for the decommissioning of the existing treatment plant lagoons. The new treatment plant will begin in the spring of 2010 and funds of approximately \$200,000 need to be allocated for the budget now so we can show the state that this will be completed and the funds are available. Council Member Cotton moved that the PSSGID allocate \$200,000 for the decommissioning of the treatment plant in the 2010 budget, Council Member Pierce seconded, unanimously approved.
 - 4. Resolution 2008-06, Appointing a Secretary to the Board** – Council appointed April Hessman as the acting secretary to the board on August 28th, 2008, since that time staff has worked with Ms. Hessman as a prelude to hiring Ms. Hessman as the Town Clerk and Board Secretary. Council Member Atkinson moved to approve Resolution 2008-06, Appointing April Hessman as Secretary to the PSSGID and PSSGID Wastewater Activity Enterprise Board of Directors, Council Member Weiler seconded, unanimously approved.
- XIV. OLD BUSINESS**
- 1. Ordinance No. 2008-04, Inclusion of 25 properties in the Sanitation District to be known as the Harman Park Inclusion** – Representatives from Harman Park have collected all signatures and petitions have been submitted to complete inclusions of 25 properties into the Sanitation District boundaries. This inclusion represents approximately 71.39 acres. Council Member Pierce moved to approve the second reading of Ordinance No. 2008-04, including 25 properties into the Pagosa Springs General Improvement District and also correct the ordinance to reflect April Hessman as Secretary, Council Member Weiler seconded, unanimously approved.
- XV. DEPARTMENT HEAD REPORT**
- 1. Supervisor Report** – July flows were .234 MGD on average and 97% removal rate for BOD. No spills, clogs or violations in July. The loans with CWAPA and DOLA have been closed.
- XVI. APPROVAL OF BILLS** – Council Member Atkinson moved to approve the bills, Council Member Pierce seconded, unanimously approved.
- XVII. ADJOURNMENT** – Upon motion duly made, the meeting was adjourned at 6:59pm.