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**PAGOSA SPRINGS SANITATION GENERAL IMPROVEMENT  
DISTRICT SPECIAL MEETING AGENDA  
THURSDAY, JULY 9, 2009  
Town Council Chambers  
12:00 noon**

- I. **Call Meeting to Order** – Mayor Aragon, Council Member Cotton, Council Member Holt, Council Member Jackson, Council Member Pierce, Council Member Weiler, Council Member Jackson
  
- II. **Discussion on Economic Development Incentives** - Resolution No. 2009-01 is a resolution authorizing the deferral of plant investment fee payments. Note: the word ‘deferral’ should be changed to ‘waiver’ in the title for the Sanitation District Board’s intent. In light of the current economic conditions, the community needs some fees slashed to attempt to encourage businesses to join our community. The waiver will be on a trial basis for 18 months. Council Member Pierce does not believe waiving plant investment fees is a wise move with the need for the district to build a new treatment plant. Council Member Cotton would rather see a deferral instead of the waiver of fees. Council Member Jackson believes waiving the fees are the right thing to do to get the businesses to come into town. Council Member Volger agrees with Council Member Jackson. Council Member Pierce suggests that the loan we received from CWRPA for the waste water treatment plant was based on receiving these impact fees. Council Member Volger moved to approved Resolution No. 2009-01 implementing plant investment fee waiver, changing the word ‘deferral’ in the resolution title to ‘waiver’, also changing the word ‘development’ to ‘plant investment’ in Section 2 on page 2, Council Member Jackson seconded, motion carried with one nay (Council Member Pierce).
  
- III. **Waste Water Treatment Plant Alternatives and Funding Options** – Mr. Patrick O’Brien and Mark Dahm with Briliam Engineering gave the board options for the treatment plant, a \$4 million dollar mechanical plant and a \$.8 to \$2.2 million dollar lagoon modification. Mark Dahm suggested developing a pilot test and negotiating a compliance schedule revision with CDPHE. He believes it would be better to negotiate a permit extension with CDPHE, rather than apply for a new permit. Then develop PELs revision material for submittal to CDPHE, and initiate revision request of PELs for a .494 MGD facility. The pilot test phase will take approximately one year. After this pilot test, the next step would be to determine funding sources available for either upgrading lagoons or the mechanical plant. Then submit revised site application/PER, as required, based on the sanitation board decision. Depending on the new data, the district would proceed with obtaining funding, determine allowable project debt and set rates accordingly, then proceed with full scale project. The pilot test completed by Briliam Engineering will cost approximately \$20,000. Council Member Volger would rather go ahead with the \$4 million dollar plant and unfortunately keep the rates where they are. Council Member Holt agrees and explained that the district might spend almost \$2.5 million on a band-aid to upgrade the lagoon system. Council Member Weiler would like to challenge the data with the State and then look for grant funding for a new plant that will meet the State’s requirements. Town Manager Mitchem explained that even if the Town is successful in changing the State standards, the current plant will most likely still not meet those standards. Council Member Cotton believes the \$4 million dollar plant is only a deferral of the engineered \$6 million dollar plant; he would rather go back to the USDA and ask for additional grant monies. Town Manager Mitchem explained the USDA route is very lengthy and the CDPHE gave great caution to going the USDA direction. He explained he is very willing to look for additional stimulus monies for this project but most likely not be 100%. Council Member Holt moved to go forward with the pilot test and negotiate a new compliance schedule with CDPHE that will give us time to look for new funding sources, Council Member Cotton seconded, unanimously approved.
  
- IV. **ADJOURNMENT** – Upon motion duly made, the meeting adjourned at 8:55pm