



551 Hot Springs Boulevard
Post Office Box 1859
Pagosa Springs, CO 81147
Phone: 970.264.4151
Fax: 970.264.4634

TOWN COUNCIL MEETING MINUTES THURSDAY, JULY 17, 2008 12:00 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. **DELEGATIONS**
 1. **Witness Recognition - FBI Agent John Wallis** – In April of 2008, a local bank was held up by the same person who had earlier robbed a Durango bank. Two women found the discarded clothing of the bank robber and called the police, and with their cooperation the bank robber was caught a few days later and arrested. Peggy Ellis and Pam Schoenig were presented with a reward for their service. Detectives TJ Fitzwater, Carl Smith and Scott Maxwell were also recognized and presented with certificates for their outstanding assistance and cooperation with this investigation.
- III. **NEW BUSINESS**
 1. **Consider for a proposal to conduct guided Horseback rides on Reservoir hill as presented by Matt Poma** – Poma Outdoors is requesting he be allowed to conduct guided horseback rides on Reservoir hill. The Parks and Recreation Commission has approved the request for a trial operation and evaluation period. The Commission suggests additional signage placed at trail heads to notify the public of equestrian activity. Mr. Poma would like to use the area at Hot Springs Blvd and Springs St. to corral the horses during the day only. Putting up additional signage would be the only fiscal impact and Mr. Poma will designate 2% of his proceeds to the Town for trail and park maintenance. Mayor Aragon called for a motion that died for lack of a second.
 2. **Revised IGA for a Consolidated Emergency Communication System** – At the July 1st Council Meeting the proposed IGA between the Town, Archuleta County, the Pagosa Fire Protection District, and the Upper San Juan Health Service District establishing a Consolidated Emergency Communications Center was approved by a vote of 5 to 1. The Upper San Juan Health Service District has declined participating; a new IGA eliminating all references to the Health Service District has been presented for review and consideration. No other changes were made. Council Member Holt moved to approve the amended IGA for Consolidated Emergency Communications between the Town of Pagosa Springs, Archuleta County, and Pagosa Fire Protection District, Council Member Weiler seconded, motion carried unanimously.
 3. **Consideration of a Lease between the Town of Pagosa Springs and Jeff and Adelaide Greer for Geothermal water from the Rumbaugh Ditch and Well Lease** – Council directed staff to prepare a lease with Jeff Greer for the Rumbaugh Well geothermal well. The Town received objection from the Springs, the Town's geothermal attorney has found no violation or breach of lease contract with the Springs by leasing the waters to the Greer's. The Town will receive \$4,500 annually for the lease of this water upon Greer beginning to draw from the well head. An additional amount of \$1,000 per year will be received from a previous agreement to reimburse the town for a drain line that was constructed under Highway 160 in 2001. This lease and subsequent payments will be received for ten (10) years. Mr. Greer stated the town board had supported the lease the

last two meetings. Council Member Jackson moved to approve the ten (10) year lease between the Town of Pagosa Springs and Jeff and Adelaide Greer for the geothermal water from the Rumbaugh Ditch and Well, Council Member Holt seconded, unanimously approved. Mayor Aragon excused himself from the meeting at 12:25pm and added Council Member Jackson and Atkinson will be leaving at 1:00pm. Mayor Pro-tem Holt moved into position.

4. **Blue Sky Ranch Annexation Presentation and Discussion** – The Town received a letter dated Jun 17, 2008 from the representatives of Blue Sky Ranch to hold a work session on their proposed annexation of the property to the Town. BSR has developed a sketch plan for the project that includes single-family and multi-family residential, hotel and conference center, golf course and club house, equestrian center and multi-use arena. BSR would like to present the land use plan to the Town Council and discuss BSR's concept and intent with respect to the development. There is no direct fiscal impact from the review and discussion of this proposed annexation, but if the Town decides to pursue this annexation, direct impacts will occur. A complete impact study will be required for submittal that will indicate the degree of impact this annexation may have on this Town. Nancy Laurel with Russell Engineers presented a power point presentation of the BSR conceptual design. This plan is compatible with the comprehensive plan and is proposed to keep 601 acres of open space area and historical context near the entrance to Hwy 84. A proposed club house, hotel, golf course, retail, single-family and multi-family residential, and equestrian amenity. The plan includes a dude-ranch to introduce clients to ranching and includes their existing cattle company in the 1600 acres of national forest near the BSR. Mr. Bill Hudson asked regarding the water use for a large golf course, and the possibility of dealing with a developer and low income housing. The project is self contained and does not require water. Munsey Ayers, legal council, for the BSR, presented a brief overview of the pre-annexation agreement. The pre-annexation agreement is more of a letter of intent and is not binding, except for the details of the project. The final annexation agreement will come out of the details and discussions associated with the pre-annexation agreement including a possible Title 32 metro district rating, which will help this project to efficiently progress. Staff believes a metro district is established for more the finance and maintenance issues, and should not conflict with the Town's standards and regulations. Mr. Michael Whiting appreciates the developers proposed plan and open space. Carl Vallejulli explained that a conservancy program is established to replant trees and keep open space monitored by the home owners association. Ms. Wendy Saunders has concerns regarding the water and sewage used at the proposed hotel. Mr. Vallejulli says the well that is currently operating has plenty of water for the entire project. The septic system is negotiable and will be discussed during the annexation process. The proposed Blue Sky Village plans have affordable housing units; however that is a different project. Staff explained the Town attorney Bob Cole's concerns regarding the 25 year vesting with performance triggers, the metro district impact on the sanitation district, the sketch preliminary plan and final plan applications, and staff's concerns to facilitate the annexation with time and costs. A revised pre-annexation plan should be available for Council's review at the 24th of July meeting and final draft at August 5th Council Meeting. Council Member Weiler presented a proposal to council for alternative financing options for PAWSD and to continue to take the lead role and support BOCC with their vote of no confidence in regards to the current reservoir project. He would like this discussion to come forward at the July 24th work session.

IV. ADJOURNMENT – Upon motion duly made, the meeting was adjourned at 1:43pm.

Ross Aragón
Mayor