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TOWN COUNCIL MEETING MINUTES TUESDAY, APRIL 1, 2008 5:00 P.M.

- I. CALL MEETING TO ORDER** – Mayor Aragon, Council Member Atkinson (late), Council Member Cotton, Council Member Holt, Council Member Simmons, Council Member Steinert, Council Member Weiler
- II. APPROVAL of MEETING MINUTES FROM MARCH 4th and MARCH 20th, 2008** – Minutes were approved as read.
- III. LIQUOR LICENSES**
 - 1. Squirrels Pub and Pantry (McStipp, LLC) – Liquor License Transfer of Ownership**
 - 2. Special Events License – P.S. Chamber of Commerce-Going away function for Mercy and Bill Korsgren** – Council Member Cotton moved to approve the liquor license transfer, Council Member Steinert seconded. The motion carried with 1 abstention (Council Member Simmons) Jim Stipp owner of the Squirrels Pub and Pantry ask about obtaining a temporary liquor permit. Council agreed that we would look into a temporary permit and will get back to Stipp with the State of Colorado requirements.

DELEGATIONS

- 1. Town Audit Review - Mike Branch C.P.A.** – Mr. Branch presented the 2007 audit. He reported that the financial condition of the town is extremely healthy. Cash reserves are over \$3 million an increase of over \$54,000 last year. Revenues exceeded expenses by \$235,000. Mike suggests we watch the budget real close and proceed in a cautious and conservative manner. The sanitation district has income that has not been expensed due to the upcoming plant construction project. The tap fees decreased significantly during 2007. The sanitation district did break even in 2007.

IV. NEW BUSINESS

- 1. REVIEW OF PLANNING COMMISSION ACTIONS FROM MARCH 25TH**
 - a. The Plaza at Aspen Village Building ‘B2’ Condominium Conversion** - Aspen Partners Pagosa LLC requests to convert Building B-2 into one commercial condominium. This refers to a building currently under construction. Council Member Simmons moved to approve the conversion, Council Member Holt seconded. The motion carried unanimously.
 - b. 191 East Pagosa Street Mixed-Use Project Conditional Use Permit** - Shady Grove Construction requests a CUP for the mixed use of this project. Staff addressed the lack of parking and Shady Grove Construction’s desire to build a second building limiting the parking further. Staff recommends that the planning commission accept the request with two requirements of parking and infrastructure improvements. Council Member Holt moved to approve the request with the two conditions recommended by the planning commission in the March 25th meeting. Council Member Atkinson seconded. The motion carried.
 - c. Resolution 2008-08, Blue Sky Ranch Comprehensive Plan Planning Area Boundary Amendment** - Request by Blue Sky Ranch LLC to modify the planning area boundary to include 1,253 acres and designate this property as rural residential. The inclusion of this land seems necessary to our long term planning effort. Originally the

county submitted a letter rejecting the inclusion, but after the joint town and county planning meeting, the county withdrew their comments and would like to see an IGA move forward. Council Member Atkinson moved to approve the resolution, Council Member Weiler seconded. Motion carried unanimously.

2. **Ordinance No. 709 (First Reading) – Vested Property Rights for 3 Lanterns Inn and Spa Development Project** - Bootjack Management Company request vested rights to this project that was approved by the town council in November 2007. The Colorado Revised Statue allows vesting generally for a 1 - 3 year term however Bootjack has requested a 5 year vesting for this project. The vesting rights are assigned to the property and plans and can be transferred to a new owner should the property change hands. The property owner may ask for amendments be made to the plans, but this will be subject to Council approvals and follows the conditional use permit. Approvals of plans normally expire within 1 year time frame and the five year vesting request is due to the economic situation. Council Member Simmons expressed concern with the property laying fallow for the entire five year vesting period and suggested that more traditional three year vesting period would encourage Bootjack to start their project earlier. Council Member Cotton moved to approve the first reading of Ordinance No. 709 as read, Council Member Weiler seconded. The motion carried with one nay, Council Member Simmons
3. **Ordinance No. 710 (First Reading) – Vested Property Rights for 232 Pagosa Street Development Project** - Bootjack management company requests a five year vested rights for this mixed use, commercial, and residential, development project. The projects include multiple conditions of approval, including a deficit in parking that has documented approval, and all conditions remain enforced as the project progresses. The development project approval agreement has to be followed and is binding per the conditional requirements. Council Member Weiler motioned to approve as read, Council Member Holt seconded. Council Member Simmons again expressed his concern with the five year vesting and would rather encourage Bootjack to develop within a three year vesting period. The motion carried with one nay, Council Member Simmons
4. **Historic Preservation Month Proclamation** - The Historic Preservation Board would like the Town Council to proclaim May Pagosa Springs Historic Preservation Month. A month long celebration with “Ancient Voices” as the theme and includes a downtown walking tour and poster contest with the intermediate school. Council Member Cotton moved to authorize Mayor Aragon to sign the proclamation, Council Member Simmons seconded, motion carried unanimously

VI. OLD BUSINESS

1. **Ordinance No. 706 (Second Reading) – Annex property known as Putnam Annexation’**
- A 140 acre annexation off of Trujillo Road which provide an overall benefit to the Pagosa Springs community. The first reading in February carried approval and staff has been working with property owners, including Kathryn Young, to come to an annexation agreement for consideration. The agreement with the Young’s retains their property as a mix-use designation with limited commercial use appropriate to the residential area. Kathryn Young has agreed to execute the annexation, and is satisfied they have come to the middle of the road as best they can and thanks Tamra and staff for all their work. The Young’s did not want to be annexed into the town, but have come to a compromise. Council Member Simmons moved to approve the second reading, Council Member Weiler seconded. Motion carried unanimously.
2. **Ordinance No.707 (Second Reading) – Zone property known as ‘Putnam Annexation’** -
The 140 acres off Trujillo Road annexed, previously approved at first reading, assigning a base zone A-district residential, excluding two properties. The Pagosa Cemetery recommend designation as open space OS, and the Young property converting from A-district to a Mix-Use Residential compatible with residential development. Council Member Holt moved to approve, Council Member Simmons seconded, motion carried unanimously.
3. **Personnel Policy Revisions** - This is a request for direction from council regarding personnel policy section 18-804 sick leave as to if the banked sick leave balances, created October 1st 2007 updated and passed by council, should be considered a benefit upon retirement or resignation. After much discussion, Council Member Steinert moved to give

staff direction to proceed with changing the policy to say, based upon the salary level on October 1st, 2007, and having fully vested, upon resignation or retirement, other than termination, they will receive the full amount. Council Member Weiler seconded. Motion carried with one nay, Council Member Cotton, motion carried. Staff will go forward with motion and return to council with personnel policy changes.

VII. DEPARTMENT HEAD REPORTS

1. **Town Manager Report** - Sales tax numbers were up, year to date flat compared to 2007, at a slight increase of .06%, and behind from budget projection of 2%. We have ample reserves to get us through a 2% decrease. 86% of revenue is sales tax and property tax is 2%. Capital projects that were deferred from 2007 totaled approximately \$839,000 to be completed in 2008. Tamra Allen has accepted the Assistant Town Manager position and will continue to assume the director of planning position until a replacement is found. Enhancement projects include engineering on river cross-sections; it will go to DHM architects for review as soon as possible. Construction manager's position will be filled soon and will help with moving forward on the capital improvement projects. Apache street sidewalk starting soon, sports complex phase 2 has been bid and awarded, reservoir raw water project to start, Lewis Street project. Consultants from the Office of Community Development are taking the feedback from the open meeting for review. James Dietrich with the Offices of Community Development is to present design concepts for Lewis St. on April 17th. The demolition of the old seeds of learning building will begin around the 1st of May. Streets positions filled and parks maintenance position still looking for person. Town Tourism Committee director, Diane Calderon, said the TTC is looking at their advertising and ideas for expanding their ad campaign. The TTC will be sponsoring an event; they met with concerned citizens to create an RFP to get organizer for the event. A \$50,000 purse will be awarded. The County has formed a tourism committee to spend their 1.9% of the lodging tax, between the town and county, there is some duplicating work. An IGA has been discussed to combine the groups. We are working with Rocky Mountain Cable regarding the non-compliance concerns of program cuts and increased rates to restore them. We will remain with Rocky Mountain Health Plans through April then change to Rural Health Plans due to Deanna's not having the baby yet. Mid month meeting workshop April 16th, at 12noon, with Springs Resort to discuss plans and Archuleta County Education Center to discuss feasibility of building on town shop site. Mid month meeting April 17th, at 12noon, agenda to include council member swear-in and Council Member Weiler. April 21st retreat at the Springs Resort, Ken Charles with DOLA is available to facilitate and Patty Shoals would also like to be involved in the retreat. A special meeting with PAWSD, the school district, fire department, and all who are impacted by impact fees to discuss and appoint a task force to represent the audience will be held after the Springs workshop on April 16th at 12noon at the Community Center. The Council would like to have a clear direction of what will be discussed during the retreat and each will make a list of goals, objectives and accomplishments to give to the facilitator to create an agenda. Council suggests setting a new retreat date, due to the election of new council members, at the mid month meeting. Business licensing moving along and the roads update includes the majority of pot holes are taken care of and focus on Lewis Street.
2. **Planning Department Report** - A letter received from Bob Hart requesting sign code modification to include off-site temporary sign. LUDC will meet April 14th to work on recommendations for residential building heights. Way-finding and signing on April 16th, Nuszer Kopatz will present refined concepts. Annexation of the Levine property and the rodeo grounds, the staff is asking for a workshop to be scheduled with Smart Growth/DOLA in early May. A regional growth management IGA with the County Planning Commission to manage growth has been discussed. The next meeting will be May 7th to discuss plans. The Planning Commission has a vacancy and several county residences have asked to fill the seat. Staff has been instructed to draft an ordinance to the current code to open one seat to a county resident by the April 17th meeting. RFP have been issued for leasing geothermal waters from the Rum Baugh Well. There are currently two positions open at the community center, one full time and one part time position.
3. **Parks and Recreation Department Report** - Next Parks and Recreation Commission

meeting will be April 16th.

VIII. APPROVAL OF BILLS – Council Member Simmons moved to approve the bills, Council Member Cotton seconded, and the motion carried unanimously.

IX. ADJOURNMENT – On a motion duly made the meeting was adjourned at 7:34pm

Ross Aragón
Mayor

**PAGOSA SPRINGS SANITATION
GENERAL IMPROVEMENT DISTRICT MINUTES
TUESDAY, APRIL 1, 2008
5:00 P.M.**

- X. CALL MEETING TO ORDER** –Mayor Aragon, Council Member Atkinson, Council Member Cotton, Council Member Holt, Council Member Simmons, Council Member Steinert, Council Member Weiler
- XI. APPROVAL of MINUTES FROM MARCH 4th, 2008 MEETING** – The minutes were approved as read.
- XII. DELEGATIONS -**
- XIII. NEW BUSINESS**
- 1. Ordinance No. 05 (first reading) – Amending East Highway 160 Inclusion -**
- This ordinance has been deferred until April 17th meeting due to issues with the legal description.
 - 2. Rate Survey Information -** Also deferred until later meeting.
- XIV. OLD BUSINESS**
- 1. Update on New Treatment Facility Planning -** Attempting to finalize the design with the State. The project is still on schedule; engineering and consultant fees are taking some time to progress through.
- XV. DEPARTMENT HEAD REPORT**
- 1. Supervisor Report** – Inflow and infiltration is high due to excess ground and surface water.
- XVI. APPROVAL OF BILLS** – Council Member Simmons moved to approve the bills; Council Member Holt seconded, motion carried unanimously.
- XVII. ADJOURNMENT** – On a motion duly made the meeting adjourned at 7:45pm