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TOWN COUNCIL SPECIAL MEETING MINUTES
THURSDAY, NOVEMBER 19, 2009
Town Hall Council Chambers
12:00 P.M.

- I. **CALL MEETING TO ORDER** – Mayor Aragon, Council Member Cotton, Council Member Holt, Council Member Jackson, Council Member Pierce, Council Member Weiler, Council Member Volger
- II. **LIQUOR LICENSES**
 1. **Liquor License Transfer – Victorias Reign LLC to Victorias Cafe LLC, 274 Pagosa Street** – Council Member Pierce moved to approve the liquor license transfer for Victorias Cafe, Council Member Jackson seconded, unanimously approved.
 2. **Liquor License Renewal – Nello's Inc. dba Nello's Bistro, 135 Country Center Drive Suite A** – Council Member Volger moved to approve the liquor license renewal for Nello's Bistro, Council Member Jackson seconded, unanimously approved.
- III. **DELEGATIONS**
 1. **Lynn Bridges – Seeds of Learning Center** – Ms. Lynn Bridges presented to the board the recent programs at the Seeds of Learning children's center. The center celebrated its second year in the new building. Enrollment is full and a waiting list has been created. She explained that many have asked about receiving updates from time to time regarding the centers workings.
- IV. **NEW BUSINESS**
 1. **Community Visioning Group – Patsy Lindblad** – Since May of 2009, the Archuleta Community Vision Work Group has been reviewing community policy documents and surveys of community residents and visitors regarding their attitudes, opinions, and interests, published over the past nine years to assess the existence of a community vision. The team of nine volunteers found no specific community vision, but rather basic elements that would serve as the core of a vision that remains to be crafted. The set of values that people hold dear include the many natural beauty and resources, small-town atmosphere, cultural diversities and friendly people. A community that offers workers employment that allows them to thrive not just survive and enhancing hospitality for economic growth in the tourism base. Opportunities for the development of local businesses and develop our export market as well. She suggests tapping into the arts and culture in the area and collaborating with nearby communities. She encourages a vision that uses the documents the Town already has and enhancing them, this would include using the LUDC, Downtown Master Plan, etc.
 2. **September Sales Tax Brief** – The Town of Pagosa Springs September 2009 sales tax was down -17.07% compared to September 2008. Year-to-date sales tax has declined -8.79% compared to 2008 sales tax receipts. Lodgers' tax revenue for September showed an increase of 10.03% over the previous year with year to date revenues up 7.94%. The department expenses will stay at the 15% reduced budget at this time.
 3. **Economic Stability Resolution 2009-25** – Similar to the 2008-33 Resolution which gave staff and council the ability to reduce expenditures at a moments notice as the sales tax receipts decreased, Resolution 2009-25 gives the staff the ability to reduce expenditures if the sales tax revenue decline continues into 2010. This resolution implements a maximum expenditure of a certain percent of proposed revenues toward service organizations. Also the implementation of a policy to abate the Town's normal planning/development and

building permit fees by publicly funded affordable housing organization for the first three housing units built in 2010. Deploys a financial stability plan to reduce Town expenditures upon the advent of lower sales tax revenue over two consecutive months as compared to 2008 and 2009 revenue. Council Member Weiler believes the 2010 preliminary budget is indicating a small reduction in the sales tax revenues, and believes the reduction should be at least 8 additional percent similar to the 2009 decline. Council Member Cotton agreed with the 8% decrease. This resolution acknowledges the 5% reduction which the preliminary budget includes, the 8% cut in expenditures would begin if the sales tax comes in 5% below the estimated 2009 sales tax revenue. Council Member Volger would like to maintain the services to the community for as long as possible before having to cut these services. He agrees with the prudent revenue projection and has seen that the staff is able to cut quickly if necessary. Council Members Jackson and Pierce agree with the 8% revenue decrease. Council Member Weiler would like the department heads to prioritize their staffing levels and cut an additional 5% from the 2009 revenues. Council agrees with the 10% revenue reductions. Council Member Weiler moved to decline making a motion on the percentage amount dedicated to service organizations and wait on staff for a new preliminary budget with previously discussed cuts, Council Member Jackson seconded, unanimously approved.

4. **Capital Improvement Plan Update** – SGM Engineers were employed to provide consulting services to the Town for the purpose of creating a five year capital improvement plan, in which projects are prioritized. On November 10th, SGM presented to the Town Council infrastructure information from which a capital improvement plan may be crafted. At the November 12th Town Council work session SGM worked with Council to identify criteria for evaluating capital project alternatives including public health and safety benefit, public benefit and support, deferred maintenance, shovel ready and grants, and possible regulatory mandates or environmental requirements. The results show project importance include roads, parks & recreation, trails & river features, economic development projects, planning & design, equipment & technology, building & facilities, new capital projects and property acquisitions. Council Member Weiler is confused about the sequence of importance on the matrix and will do additional research on the subject. He would like this matrix back on the mid-December meeting for discussion. Council agreed to put this item on the mid-December meeting and include a December 2nd and 3rd work session to discuss the budget.
5. **Ordinance 746 (first reading) Repealing and Readopting Certain Sections of Chapter 7 Hill Top Cemetery** – The Hill Top Cemetery is eligible to be a capital expenditures and the revenues and expenses associated with the operation of the cemetery should be transferred into the Town's capital fund. Ordinance No. 746 repeals and readopts sections 7.1.2 and 7.1.3 of the Pagosa Springs Municipal Code to change the collections and distributions from the General Fund into the Capital Fund. Council Member Volger moved to approve first reading of Ordinance No. 748, repealing and re-adopting sections 7.1.2 and 7.1.3 of the Town of Pagosa Springs Municipal Code regarding the Hill Top Cemetery operations, Council Member Weiler seconded, unanimously approved.
6. **Discussion of Resolution 2004-15 Village at Wolf Creek** – Resolution 2004-15 adopted December 21, 2004 states that until the Council's stated concerns were satisfied, the Council was unable to endorse the Village at Wolf Creek. These concerns include the impact on available work force, affordable housing availability, impacts on the school district, impacts on public service agencies (fire, police, hospital, etc), impacts on the local tax base, and transit elements. Council Member Holt said the current Council make-up is very different from when this resolution was passed in 2004 and would like discussion on if this resolution still applies. Council Member Cotton and Mayor Aragon both agree that this resolution puts a major stop sign in the way of economic development and feels that supporting the land exchange has nothing to do with economic analyses right now. Council Member Pierce believes that an economic impact analysis is important to have completed for the Council to know how the Village will affect the Town. Council Member Jackson agrees with Council Member Cotton regarding the support of the land exchange. Council Member Volger isn't ready to give up the bargaining chip by supporting the land exchange. He would hope this opportunity would give the Council leverage to obtain tangible benefits for the community at this juncture. Council Member Holt would also like to bargain with the Village to create conditions prior to Council support. County Administrator Greg

Schulte said the surrounding Counties (Archuleta, Rio Grande, and Mineral) met on Wednesday to discuss support of the land exchange. Archuleta County has hired a firm to look into the viability of the development; the Commissioners will make a decision by December 8th when they receive the findings from the firm. Council Member Holt move to repeal Resolution No. 2004-15, Council Member Cotton seconded, unanimously approved. Mayor Aragon suggests the Council be willing to lead and represent the people, he does not believe an outside firm has more knowledge about our community than the Council. Mr. Jim McQuiggin asked about the legislative process versus the administrative process and if supporting the exchange means allowing the Village to go strictly through the legislative process. Council Member Holt said if the Village is required to go through the administrative process there will be more public access and comments. Council Member Cotton says the exchange has nothing to do with the development, he believes that not until the Village is developed will there be an impact where the public can get involved. Council Member Cotton moved to craft a letter of support of the Village of Wolf Creek land exchange process for the parallel legislative and administrative paths of approval, Council Member Jackson seconded. Mr. Michael Whiting suggests the Council wait to get the facts prior to making a decision. He says that the developer is asking for the Council to support a process and believes the legislative process skips the public process. He also stated that the agenda item, being transparent, does not list the action of Council support for this item. Council Member Cotton withdrew his motion.

V. OLD BUSINESS

VI. Approve October Financial Statement and Accompanying October Payments – Council Member Holt moved to approve October’s financial statement and accompanying payments, Council Member Jackson seconded, unanimously approved.

VII. Next Town Council Meeting December 1st, 2009 at 5pm

VIII. ADJOURNMENT – Upon motion duly made, the meeting adjourned at 1:40pm

**Ross Aragón
Mayor**