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**TOWN COUNCIL SPECIAL MEETING MINUTES
TUESDAY, NOVEMBER 10TH, 2009
ROSS ARAGÓN COMMUNITY CENTER
SOUTH CONFERENCE ROOM
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 Volger
- II. LIQUOR LICENSES**
- 1. New Hotel & Restaurant Liquor License – JJ’s Riverwalk Restaurant & Pub LLC, 356 East Hwy 160**
 - 2. New Hotel & Restaurant Liquor License – Asset Management & Marketing, LLC dba Oakridge Lodge, 158 Hot Springs Blvd.** – Council Member Pierce moved to approve the new liquor licenses for JJ’s Riverwalk Restaurant & Pub LLC and Asset Management & Marketing LLC, Council Member Jackson seconded, unanimously approved.
- III. NEW BUSINESS**
- 1. Endorsement of Chimney Rock National Monument** – The Chimney Rock archeological site is being considered for national monument status. Staff has included letter of support from the Mayor and Council encouraging the legislature to accept this designation. The status change would give the site additional federal monies in order to improve the deteriorating site. Council Member Jackson and Pierce both support this status change. Council Member Jackson moved to instruct the Mayor to sign the letter of support on behalf of the Pagosa Springs Town Council, Council Member Holt seconded, unanimously approved.
 - 2. Endorsement of Village at Wolf Creek Land Exchange** – The Village at Wolf Creek applicants have requested an endorsement from the Pagosa Springs Town Council in support of land exchange request with the Forest Service. The exchange would allow the Village at Wolf Creek to provide an option for the construction of the village that is preferred by the Council. Council Member Holt cannot support a legislature process exchange of land, he would like to see an administrative process, and feels the economic impact to Pagosa Springs is unknown and an economic study is needed. Council Member Pierce agrees with Council Member Holt and the need for an environmental study by the Forest Service. Council Member Cotton intends to send a letter supporting the land exchange which may help the Town economically. Council Member Volger says the majority of constituents he has heard from are against the land exchange. He believes that plan B submitted by the developer is a much better plan than the plan A proposed, and if the Village will be built either way why not support the better choice. Council Member Jackson said he is in support of the land exchange, not necessarily in support of the legislative or administratively process, but the land exchange itself he is in support. Mayor Aragon is in support of the legislative land exchange and will write a letter in support to the legislature. He believes there may be some positive economic fall out by the Village’s eventual construction. Mr. Michael Whiting is in support of plan B, but doesn’t believe that the plan A Village concept is a slam dunk as the developers have suggested. He says supporting the land exchange without any supporting economic benefits for the Town does not give the Town any power, staying neutral will retain the Town’s power. He believes a sensible conscious development will be a good thing; however endorsement from Council for plan B that is a legislative process is not a necessary process. Mr. Rick Bellis, director of County development, says the County has hired a firm to find out if plan A will move ahead if the land exchange is not approved as the developer has suggested. He says the firm will have the findings in about three weeks. He has been in touch with Rio Grande as well as Mineral County to discuss how this development will affect the counties for services necessary from the Town of Pagosa and South Fork. He says that Mr. Jones has said that Phase II will not move forward and most of that phase will go out to bid. Mr. Jones has said there is a possibility of a self-taxing district for the Village that will provide the Town with money to support the services needed for this development. Mr. Jeff Greer is not in support of the legislative process and believes if the administrative process is sought, the Town has a more powerful voice in the decision making process. Mr. Richard Compton believes the process is a federal end-run around the Town. He would like to see the administrative process completed, he believes the development will not produce what they have said it will produce and in the end the Town will be left with nothing as other

resort developments have seen happen. Mayor Aragon says this is a hypothetical conceptual development and he is working hard for economic development and doesn't want to just sit and do nothing. He wants to do what he can to assist in economic development for our community. Mr. Alvin Cox says the trade for the land is wrong because the original site is unbuildable and the developer will be exchanging for land that is buildable. Town Manager Mitchem recommends joining the County and waiting for the information regarding the plan A development, however individual support are Council options. There will be a meeting on the 18th of November with the involved counties. Council Member Holt recommends the Council take a look at resolution 2004-15 for more information.

3. **Presentation of Capital Improvement Plan – Schmueser-Gordon-Meyer** – With the assistance of a Department of Local Affairs Grant, the Town contracted the services of Schmueser – Gordon – Meyer to provide the Town a five-year capital improvement and maintenance plan. Jerry Burgess with SGM presented the Inventory and Needs Assessment Summary, which gives a preliminary list of items the Town currently has and the condition of those items. The plan will assist the Town Council in budgeting for not only 2010 but the future year's capital improvement expenditures. Mr. Jerry Burgess explained he has spent time with the Town's staff and believes the Town staff really cares about the Town and their departments and responsibilities. His report includes a large list of deferred maintenance backlog and the approach to attack these issues. General strategies include the creation of inventory and needs assessment, development of an asset management program that can be tweaked as needed in the future, the planning and design investment for projects that require this level, find funding of grants and budget monies, the design or construction documentation necessary for the projects, and finally implementation of the project. He gave examples of some of the roads in town that need either chip seal, structural overlay, or complete reconstruction. He said the storm drainage system is relatively good with the exception of McCabe Creek where it goes under Hwy 160. The buildings and facilities are in relatively good shape, but believe the Town shop doesn't give the professional image of the Town and should consider relocating. The sanitation collection system is separate from the wastewater treatment plant and the needs for this department are forthcoming. The geothermal system is simple with simple needs and a great asset to the community with the possibility of expansion. The parks and trails have deferred maintenance backlog as well as streets, and includes the completion of the Yamaguchi Park ball field. Mr. Burgess believes River Center Park needs a plan for improvement, including dredging the ponds, access to the park and improved trails. He believes that maintenance on current assets is more important than adding a new asset like a new park. The fleet and equipment assessment needs to be updated and he recommends a fleet manager to oversee all the fleet. The computers and IT system needs a lot of upgrading in the near future. Mr. Burgess went into some detail on the possibility of grants and loans to pay for some projects, including the revolving loan fund which is at very low interest rates and some with no pay back costs. The next step includes feedback from Council and staff to establishing the five year plan and how to set that up. A significant amount of investment needs to go into streets and roads at least by year three and four. He suggests putting money into the good roads for preventative maintenance and then slowing bring the fair roads to the good category and seek grants for the major reconstruction of poor or failed roads. Mayor Aragon is concerned about the infrastructure and has wanted put more into the improvement of the streets. Mr. Burgess suggests putting the person who is required to maintain the capital item on the design team. A work session is set for this Thursday and possibly Friday to discuss the capital improvement budget and the service organization requests.

IV. ADJOURNMENT – Upon motion duly made, the meeting adjourned at 2:05pm

Ross Aragón
Mayor