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**TOWN COUNCIL MEETING MINUTES  
TUESDAY, MAY 7, 2013  
Town Hall Council Chambers  
551 Hot Springs Blvd  
5:00 p.m.**

- I. **CALL MEETING TO ORDER** – Mayor Aragon, Council Member Alley (5:37pm), Council Member Bunning, Council Member Cotton, Council Member Schanzenbaker, Council Member Volger
- II. **APPROVAL of MEETING MINUTES FROM APRIL 18, 2013** –The minutes were approved as read.
- III. **PUBLIC COMMENT** – Mrs. Christine Funk said the Friends are interested in doing some things on Reservoir Hill. She is planning to meet with Town Manager Mitchem and the Mayor on May 28th. Council Member Volger is very excited with moving forward with a plan for the hill.
- IV. **LIQUOR LICENSE**
  1. **Special Events Liquor Permit – Darin Rome Memorial Fund Fundraiser at the Ross Aragon Community Center June 22, 2013** – Council Member Volger moved to approve the special events liquor permit for Darin Rome Memorial Fundraiser on June 22, Council Member Bunning seconded, unanimously approved.
- V. **DELEGATIONS**
  1. **Tractor Supply Company – Rick Wilson** – A new company is opening at the corner of Hwy 84 and Hwy 160 and the representative Rick Wilson is very excited to be opening a store in Pagosa Springs. They have over 1,400 stores across America and four in Colorado looking to build approximately 14 stores in this state. Retail sales are expected to be approximately 7-8 million dollars per year, employing 30 people hired primarily locally. The building is approximately 22,000 square feet with 15,000 square feet of outside display area. The store will have pet and ranch supplies, hardware, auto, clothing, lawn mowers, and more. They are hoping to begin construction in August with a finish date early 2013 to open in May of next year.
  2. **Geothermal Greenhouse Partnership – Sally High** – Ms. High gave an update on the greenhouse project on the property in Centennial Park the Town donated to the group. Three 42' diameter greenhouses are proposed for the park. A private foundation donation will be used to engineer the underground infrastructure, and then build one dome at a time. An environmental film festival is scheduled for July 26 and 27 following the Pagosa Verde annual symposium.
- VI. **NEW BUSINESS**
  1. **Salary Compensation** - A salary review committee was formed in 2012 to review the survey completed by Mr. Swallow and bring a recommendation back to the Town Council. After several meetings it was decided that the job descriptions in the report were accurate, and that the job pay grade associated to each job description were also accurate. After some review, the salary range minimum and maximums associated with the pay grade were adjusted slightly to reflect the committee's decisions. The committee recommends approving the attached pay grade and salary range as the basis for the Town salary schedule. The committee proposes the grade/range table as

a whole be adjusted annually, either up or down according to the Denver-Boulder Consumer Price Index (CPI), to stay aligned with regional cost of living standards. As the CPI rises employees shall receive an annual cost of living increase associated with the previous year CPI results, beginning in the 2014 budget. The committee recommends bringing every employee who is not currently at the minimum of their pay grade, to the minimum salary amount beginning the pay period ending June 29, 2013. The Town Manager will define criteria and expectations related to possible merit increases beginning 2015 budget. Annual performance reviews will be completed and if applicable, department heads will recommend merit increases to Town Manager for determination per criteria. Council Member Bunning said the committee worked hard to review and find consensus on the salary structure for the town. Council Member Volger is pleased with the committee's recommendation. Council Member Schanzenbaker said the meetings determined the salary survey was sufficient and moving forward with a structure. Council Member Bunning moved to approve expenditures from the general fund reserves of \$33,000 and capital fund reserves of \$7,500 for salary adjustments beginning pay period ending June 29, 2013, additionally the grade/range table as a whole be adjusted annually, either up or down according to the Denver-Boulder Consumer Price Index (CPI), to stay aligned with regional cost of living standards, as the CPI rises employees will receive an annual cost of living increase associated with the previous year CPI results beginning in the 2014 budget, the Town Manager is directed to define criteria and expectations related to possible merit increases beginning 2015 budget, annual employee performance reviews to be completed and department heads will recommend merit increases to Town Manager for determination per criteria, and Pagosa Springs pay/grade salary range attached be adopted moving forward with this pay grade beginning June 29, 2013, Council Member Volger seconded, motion carried with one nay (Council Member Cotton).

2. **Rezoning request for 659 S. 7th Street, from MU-TC to R-12** - The Town has received a request for the re-zoning of 659 S. 7th Street from the property owner, Maria Gallegos, who has owned the property since 2008, and who intends to build a single family residence, however, the current zoning, re-designated in 2009, is MU-TC (Mixed Use Town Center), which does not allow single family homes. The property owner claims she was not notified of this re-zoning in 2009 that modified the zoning that no longer allowed single family homes. Staff will look into rezoning the homes on the north side of 7<sup>th</sup> Street per the Planning Commissions recommendations. The application fees have been waived if the property has been identified as one changed in the 2008 rezoning timeframe. Council Member Volger moved to approve the re-zoning of 659 S. 7th Street from Mixed Use Town Center to Residential Medium Density, Council Member Cotton seconded, unanimously approved.
3. **Resolution 2013-12, Economic Development Incentives** - In 2009, the Town Council implemented a portfolio of incentives to encourage public/private partnerships that advance economic development. Resolution 2009-20 authorized the Town manager to partner with businesses by negotiating a package on economic development incentives that reward: downtown development; primary employment; job creation; increased retail sales; and increased tourist bookings. Recently, two businesses moved from Archuleta County into the Town limits and have requested rebates under provisions of the Resolution 2012-20. Under the current wording of the Resolution these businesses are entitled to the sales tax rebates, and their rebates are being processed. While delighted that these businesses have moved into the Town limits, the economic development incentive policy is intended to reward business growth and expansion, rather than a location change. Resolution 2013-12 makes minor adjustments in the wording to ensure that the Town is rebating only based on new business and business growth. Council Member Volger moved to approve Resolution 2013-12 authorizing the Town manager to implement economic development incentives, motion died for lack of a second.
4. **Associate Planner/Permit Technician** – The planning/building department is proposing filling one of the two un-filled department positions. The proposed position would encompass portions of job duties from the associate planner position and permit technician position. This position of associate planner/permit technician will assist in receiving and processing applications for business licenses, building permits, demolition permits, contractor work permits, sign permits, road cut permits, and code enforcement/violation correspondence, and land use permits. They will also assist the planning director with land use codes, planning commission and historic preservation board agendas, staff reports, GIS, Cityworks programs, neighborhood meetings and/or public meetings, and assisting in other capacities. Planning Director Dickhoff expressed

his concern with the increased work load and the department's inability to provide efficient service to the customers, and feel they will fall further behind when the summer building season. Council Member Alley said a new person is justified and would like to move forward with looking for a new employee. Mayor Aragon as well as Council Member Cotton agrees with increasing this staffing position. Council Member Schanzenbaker moved to approve expenditures from the general fund reserves of up to \$34,000 for the hiring of an associate planner/permit technician, Council Member Volger seconded, unanimously approved.

**VII. PUBLIC COMMENT** – None

**VIII. NEXT TOWN COUNCIL MEETING MAY 23, 2013 AT 12:00PM** – A work session will be held on May 14 at 12noon to discuss the marijuana ordinance.

**IX. ADJOURNMENT** – Upon motion duly made, the meeting adjourned at 6:25pm.

**Ross Aragón**  
**Mayor**