



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

**TOWN COUNCIL SPECIAL MEETING MINUTES  
WEDNESDAY, NOVEMBER 21, 2012  
Town Hall Council Chambers  
551 Hot Springs Blvd  
12:00 p.m.**

- I. CALL MEETING TO ORDER** – Mayor Aragon, Council Member Cotton, Council Member Lattin, Council Member Schanzenbaker, Council Member Volger
- II. APPROVAL of MEETING MINUTES FROM NOVEMBER 7, 2012** – The minutes were approved as read.
- III. PUBLIC COMMENT** - Ms. Christine Funk read a letter to the Town Council regarding the amenities proposed for Reservoir Hill. She said that the public isn't interested in the amenities and believes the special election will not be in favor of the TTC Plan. She suggests adding a small percentage to the sales tax for a Parks and Recreation fund for Reservoir Hill, Yamaguchi Park, and a possible community pool. Mr. Udgar Parsons thanked the town council for being part of the DCI presentation. He said the DCI group believes the geothermal component for the town should be used as a way to attract new businesses to the community. He said that instead of spending funds on the Reservoir Hill project, put funds into the geothermal greenhouse project.
- IV. DELEGATIONS**
  - 1. Archuleta County Education Center – Dave Richardson** – The Archuleta County Education Center is requesting the Town Council budget \$25,000 in the 2013 budget to assist the center with costs to run the programs at the center. He explained the center has a short term income problem now, and a long term problem is coming up in the future. He said the biggest issue is in the after school tutoring program that does not generate any income, the program is funded by donations. He said every year for the last three years there is a financial crisis in the fourth quarter due to grant funding reductions. Part of this he said is due to the limited amount of students the school district gives to the education center. He said they have not found a sustainable income source and their vision for the future will not be attainable unless a income source can be secured.
- V. NEW BUSINESS**
  - 1. McCabe Creek Discussion with Possible Executive Session per CRS 24-6-402(4)(b) to Receive Legal Advice** – This item was moved to the end of the meeting.
  - 2. Previous N. 6th Street ROW Vacation Discussion with Possible Executive Session per CRS 24-6-402(4)(b) to Receive Legal Advice** – This item was moved to the end of the meeting.
  - 3. Riverwalk II Condominium Developer Improvement Agreement** - On October 1, 2005 the Town entered into a Development Improvement Agreement (DIA) with Chris Smith and Louis J. Marcellin, the developer and property owner of the Riverwalk II

Condominium Planned Unit Development (PUD) located at 502 S. 5th Street. The development was proposed in two phases; phase one is 80% complete and phase two has not been initiated at all. The developer has performed on many requirements of the DIA with the exception of some unfinished public and private improvements associated with phase one, and all public and private improvements for phase two. There is no financial security currently held as the phase one public and private improvement bonds have been released. There has been no construction activity for a number of years, however, there is currently an interested developer that wants to purchase the property and finish the approved PUD project. DIA section 16 "Defaults and Remedies", B, describes the Notice of Default process. Instead of sending a Notice of Default at this time, staff recommends working on a new agreement with the new property owner for the completion of the PUD improvements as approved. Since there will be no immediate benefit to the Town by sending out a "Notice of Default", staff recommends the creation of a new DIA for the new owner. It is anticipated that a new DIA could be executed with the new owner within 60 days. If for some reason a new DIA is not achievable within 60 days, staff would then recommend sending the "Notice of Default". The new DIA will be presented to Town Council at a subsequent meeting. Council Member Cotton moved to direct staff to draft a new Development Improvement Agreement for the Riverwalk II Condominium Planned Unit Development, Council Member Volger seconded, unanimously approved.

## **VI. OLD BUSINESS**

1. **Sales Tax Brief** – November Sales tax receipts were down 4.84% compared to 2011 receipts. Year to date sales tax receipts are up 2.79% over 2011.

## **VII. DEPARTMENT HEAD REPORTS**

1. **Community Center Report** - The Community Center had a very successful Halloween event with about 900 kids. They are having great response from the non-profits that have met with groups about bringing their events back to the community center for 2013. The Pagosa Springs Rotary has booked their Casino Night for 2013; as well as Hospice of Mercy. The Education Center is also contemplating a new yearly event and staff is working with them to hold it at the community center facility. The community center is working on new events for the next year.
2. **Parks and Recreation Department Report** - This year's volleyball program includes a record total of 67 participants, up from last year's total of 58. The parks crew has been assisting with the ongoing San Juan River habitat improvement project and thinning shoreline thickets to improve access and aesthetics along the river corridor. Also, the parks crew recently completed over-seeding and mulching on areas of Yamaguchi Park that have recently undergone irrigation line adjustments. Several areas of the park should see new grass germination next spring, including areas near the restrooms, west sidewalk and Skate Park. A rash of vandalism at the Town Park and Yamaguchi Park has been occurring and security cameras will be installed. Heating and insulation are being installed at the town park restrooms in order to keep them open year round.
3. **Town Tourism Committee Report** - Lodgers tax collections were down 3.45% in September 2012, as compared to September 2011, a decrease of \$1,520. Year to date, lodger's tax collections are up 5.73% over 2011, or an increase of \$17,597.13. Traffic at downtown visitor center was down 20.55% in October with 2,549 visitors, compared to 3,208 in 2011; the west side visitor center assisted 165 visitors. Between both locations, traffic was down 15.4%. Year to date, visitor center traffic is down 2.52%. TTC Director will attend a CTO-hosted media reception in Denver on November 29th to promote winter activities and new information about Pagosa. TTC staff is working with parks and recreation to address signage on reservoir hill.
4. **Planning Department Report** - Staff has received confirmation from CDOT that we are officially approved for installing a push button cross walk at 2nd Street and Hwy 160. Sidewalk ramps are being constructed now on the SW and NW corners. The crossing equipment will be ordered in 2012 and installation will occur by approximately March 30, 2013. The Lewis Street reconstruction project is basically complete with a few punch list

items that will be completed next spring. Light poles for the 100 block of Pagosa St should be installed in the next few weeks.

5. **Town Manager Report** - The Pagosa Springs Community Development Corporation and the Pagosa Springs Chamber of Commerce joined hands to sponsor a consultant team from Downtown Colorado Inc. (DCI) to assess the Town's readiness for organizing downtown and provide their recommendations for moving forward. Their final report is expected anytime. Town Manager Mitchem said the vandalism to the parks is significant and is working with police to patrol the area. He said the funding for the cameras and upgrades of approximately \$11,000 will be taken from the funds unexpended from the riverwalk improvement line item. He said the bathrooms have been repeatedly flooded by plugging the toilets, ripping off the spindles of the gazebo deck, and taking off the shingle siding. He said this has been occurring the last several weekends and after school.

**VIII. APPROVAL OF OCTOBER FINANCIAL STATEMENT AND ACCOMPANYING PAYMENTS** – Council Member Volger moved to approve the October financial statement and accompanying payments, Council Member Lattin seconded, unanimously approved.

**IX. PUBLIC COMMENT** - None

**X. NEXT TOWN COUNCIL MEETING DECEMBER 4, 2012 AT 5:00PM**

**RECESS** – The meeting was recessed at 12:37 pm for the Sanitation GID meeting. The meeting reconvened at 12:45pm.

#### **NEW BUSINESS**

**V.1 – McCabe Creek Discussion**

**V.2 – N. 6<sup>th</sup> Street ROW Vacation** – Council Member Lattin moved to enter executive session to receive legal advice regarding McCabe Creek and the 6<sup>th</sup> Street ROW Vacation per CRS 24-6-402(4)(b), Council Member Volger seconded, motion carried with a vote of 5-0. Mayor Aragon called the meeting back in regular session at 2:13pm.

Council Member Lattin asked for an update in regards to the Wal-Mart lawsuit. Town Manager Mitchem explained that an update by the town's attorney will be made at the December 20<sup>th</sup> meeting, but presently there has been no new action and the town has not been formally served by the Rader's.

**XI. ADJOURNMENT** – Upon motion duly made, the meeting adjourned at 2:16pm.

**Ross Aragón  
Mayor**