



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

**TOWN COUNCIL MEETING MINUTES
TUESDAY, DECEMBER 1, 2015
Town Hall Council Chambers
551 Hot Springs Blvd
5:00 p.m.**

- I. **CALL MEETING TO ORDER** – Mayor Volger, Council Member Alley, Council Member Bunning, Council Member Egan, Council Member Lattin, Council Member Patel, Council Member Schanzenbaker

- II. **PUBLIC COMMENT** – Mr. Jeremy Bonin said a new application has been submitted to staff and is in process, he said the original December 17th hearing date he was told had been delayed. Town Manager Schulte said the first marijuana establishment application has been submitted by Mr. Bonin and is being reviewed. He said the portion the police department is reviewing is challenging with the background portion. He said the determination of “good moral character” varies. He said Detective Maxwell completes the background checks and is working diligently to get new officers hired as well as complete his other duties. He said the owners of this establishment are currently business owners in the county and have been previously accepted by the state and county. The public hearing for a new retail marijuana business is still set for review on the 17th of December, but may need to be continued if the information isn’t complete.

- III. **CONSENT AGENDA**
 1. **Approval of the November 19 , 2015 Meeting Minutes**
 2. **Liquor License**
 - a. **New Hotel and Restaurant – Taberna Borde Rio at 356 E Pagosa St Unit A (Public Hearing)**
 - b. **Liquor License Renewal – Walmart at 211 Aspen Village Drive** – Mayor Volger asked for any public comment on the new liquor license item, no comment, Mayor Volger closed to public comment. Council Member Lattin moved to approve the consent agenda, Council Member Alley seconded, unanimously approved.

- IV. **NEW BUSINESS**
 1. **Early Childhood Grant Funding Request (El Pomar Match)** – A work group created by the school, town and county has been informed of a potential matching grant from the El Pomar Foundation in the amount of \$10,000, to help hire a part time person to spearhead work for early childhood education. The Early Childhood Council of La Plata County would administer the funds as well as oversee performance of the coordinator. Responsibilities of this position would include facilitation of meetings, keeping the group on task, researching other solutions and creating relationships with other councils in the region facing similar issues. The budget for these combined funds would include salary, travel time, and operational costs. The work group believes that, with dedicated leadership for a full year, they can identify solutions to two pressing problems which are hindering economic development in our community: quality child care for children ages birth to 3 years of age and early education for children ages 3 – 5 years of age. Council Member Alley moved to authorize the Mayor to sign a letter committing the Town of Pagosa Springs in an amount not to exceed \$10,000 to serve as a match for funding to further

early childhood development in Archuleta County and Pagosa Springs, the Town's funding is contingent upon funding in a like amount coming from the El Pomar Foundation and Archuleta County, Council Member Egan seconded, unanimously approved.

2. **Public Hearing on 2016 Budget** – The mayor opened this item for public comment. Mr. Bill Hudson said a \$2 million dollar line item regarding a lease/purchase. The funds will be to pay off the lease/purchase for Lewis Street and the balance to pay for 8th Street by a lease/purchase. He said a lease/purchase puts the tax payers in debt for a fixed period of time. The spirit of the Colorado State Law requires the governments to go to the voters to create debt. He would like the council to ask the voters to pay for the debt. Closed to public comment.
3. **Resolution 2015-19, Approve 2016 Budget, Set Mill Levies, Appropriate Funds** - Projected 2016 General Fund reserves are estimated at \$2,308,823. The proposed 2016 budget reflects a 2.777% cost of living increase for every employee. The mill levy of 1.565 includes 1.557 mills for general operating expenses plus .008 mills for refunds and abatements. The County Assessors assessed value is \$2,953,384 over the 2014 values. Projected 2016 Capital Fund reserves are estimated at \$777,359. The budget reflects an aggressive utilization of Capital Fund reserves to fund the Town's infrastructure and new projects. The budget includes financing for the repaving of 8th Street and paying the Lewis Street debt. The 8th Street project was discussed for 2015 as a reconstruction. The engineering recommendation was for a rebuild. The discussion regarding the rebuild included widening, bike lanes, sidewalks and more. The process is to retire the Lewis Street lease/purchase and establish another lease/purchase for the 8th Street project. He said reaching out to the 8th Street residents for public comments and feedback regarding design. He said a neighborhood meeting would be great for input from residents. Council Member Bunning moved to approve Resolution 2015-19 to approve and adopt the 2016 budget, set the mill levies for 2016, and appropriate funds for the 2016 budget, Council Member Alley seconded, unanimously approved.
4. **Resolution 2015-20, Economic Development Incentive Repealed** – In 2008 during the effects of the recession, the Town of Pagosa Springs implemented programs whereby a range of economic development incentives were offered to businesses for the purposes of attraction, expansion, and/or retention. In 2012 the Town Council approved Resolution 2012-20 that expanded programs and delegated authority to the Town Manager to implement economic incentives programs without specific Council approval as long as it was consistent with the adopted parameters of the program. Due to the strong growth in the community, the reasons and rationale for the economic development incentives program, as presently structured, are no longer valid. Although there may be very specific circumstances the Town Council may want to offer incentives (e.g. Hometown Food Market), those examples should be considered on a case-by-case basis and should demonstrate "exceptional benefit to the community". This resolution repeals Resolution 2012-20. The local preference still remains in place. Council Member Schanzenbaker would like to take out the blanket incentives, but would like a pro-active policy in place with regards to exceptional benefit. Council Member Bunning agrees to have incentives for specific circumstances, repealing the 2012 incentive program is a must. Council Member Egan would like to have the discussion in a work session. Mr. Bill Hudson would like to have a policy so that businesses can have guidelines for what the Town is looking for to meet the Town's objectives. Council Member Bunning moved to approve Resolution 2015-20 repealing Resolution 2012-20 authorizing economic development incentives, Council Member Egan seconded, unanimously approved.
5. **Ordinance 832, First Reading, Setting Telecommunication Ballot Question** - Senate Bill 152, now codified at 29-27-101 to 304, C.R.S., which generally requires an election before a local government can provide internet, cable TV, or telecommunications service to the public. S.B. 152 currently impacts the Town is that it limits the potential uses of the fiber optic SCAN Network that the Town owns with the County. On July 23, 2015, the Town supported the County in proceeding with an "opt out" ballot question. The question passed at the November 3rd election. It is appropriate for the Town to also put before the Town voters an "opt out" question in order to reestablish the Town's right to directly and/or indirectly provide telecommunication services. Council Member Alley moved to approve the first reading of

Ordinance 832, an ordinance of the Town of Pagosa Springs submitting to the registered electors voting in the regular municipal election to be held April 5, 2016, a ballot question concerning whether the Town may reestablish its legal authority to provide advanced (internet) services, telecommunication services and/or cable television services, Council Member Bunning seconded, unanimously approved.

6. **Resolution 2015-18, Appointing Cameron Parker to the Planning Commission** - Mr. Cameron Parker has served on the Planning Commission since 2012, both as a regular member and an alternate expiring in July 2015. Mr. Parker has expressed interest in continuing his service on the Planning Commission for an additional term. Council Member Egan moved to approve Resolution No. 2015-18, a resolution appointing Mr. Cameron Parker to the Planning Commission for a four (4) year term commencing on December 1, 2015 and concluding on December 1, 2019, Council Member Alley seconded, unanimously approved.
7. **Ordinance 834, First Reading, Amending LUDC to Allow Outdoor Recreation Businesses within the MU-C District** - The Town Planning Department has recently received two applications regarding the consideration of allowing Outdoor Recreation Commercial businesses within the mixed use corridor (MU-C) zoning district. The two businesses include a Paint Ball Park and a Go-Kart Track. Though these two applications are unrelated, they are both proposed to be located on Harman Park Drive in the Harman Park commercial subdivision. Currently the LUDC does not allow outdoor recreational businesses in the mixed use corridor zoning district. The Planning Commission recommends allowing this change to the LUDC with the requirement of a conditional use permit. Possible businesses for this type of use could include a putt-putt golf to a large amusement park. Town Planner Dickhoff said the Highway corridor is a good location for low impact tourism related activities and said that a change for redevelopment would be an easy transition. Mr. Mike Heraty said the Harman Park Association would like an agreement and easement with the Town for road maintenance, he said it is a win-win situation. Council Member Lattin moved to approve the first reading of Ordinance 834, an ordinance of the Town of Pagosa Springs, amending the Land Use Development Code Article 4 regarding general outdoor recreation commercial businesses in the mixed use corridor district, requiring a conditional use permit application public hearing, Council Member Alley seconded, unanimously approved.

V. OLD BUSINESS

1. **Ordinance 835, Second, Reading, Designating the Rumbaugh Creek Bridge as a Local Historic Landmark** - The Town received notification of a \$166,605 grant award for the restoration of the Rumbaugh Creek Bridge in July 2015. During the processing of our award contract, it was realized that the Bridge was not included in the previous Water Works Facility Local Landmark designation, as was originally thought. The State Historical Fund does require the bridge be designated as a historic Landmark before they can finalize drafting the grant contract for execution with the Town. On November 19, 2015, the Town Council unanimously approved the first reading of Ordinance 835, an ordinance of the Town of Pagosa Springs, designating certain real property known as the Rumbaugh Creek Stone Arch Bridge within the Town of Pagosa Springs, Colorado, as a local historic landmark. Council Member Egan moved to approve Ordinance 835, an ordinance of the Town of Pagosa Springs, designating certain real property known as the Rumbaugh Creek Stone Arch Bridge within the Town of Pagosa Springs, Colorado, as a local historic landmark, Council Member Alley seconded, unanimously approved.

VI. PUBLIC COMMENT – None

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- The pirate playground is in process, the crew should be in town this week to get the decking installed. Council Member Lattin said this Friday is the Festival of Trees and suggests the council volunteer. Council Member Schanzenbaker said the holiday lights look great and suggests leaving the lights on the bridges over the entire winter. Council Member Alley would like a few of the council member to review the salary survey. Mayor Volger said keeping pace with inflation is part of the annual adjustment to the salary range. Town Manager Schulte said periodically

reviewing the salary survey is important, he suggests another review in 2017. Council Member Alley would like to get the marijuana licensing for Jeremy and Jason completed on the 17th of December. Council Member Schanzenbaker asked about the discussion regarding “good moral character”. Town Manager Schulte said in speaking with Detective Maxwell there may be a way of presenting the information for the authority to determine approval. Mr. Jeremy Bonin said the council does have the option to waive the background requirement if they feel the state’s background is sufficient. Mayor Volger said referring to Cappy White’s comments regarding ice melt, he said sand may be a viable option. Ms. Addie Thompson will be the student liaison to start on the council in December.

VIII. NEXT TOWN COUNCIL MEETING DECEMBER 17, 2015 AT 5:00 PM

IX. ADJOURNMENT – Upon motion duly made, the meeting adjourned at 7:00pm.

Don Volger
Mayor